

FAX COVERSHEET

Vers. 2014.1



SUBMIT PAPERWORK TO:
FAX: 1-866-933-3608 OR
EMAIL: FAX@MAINSTREAMMS.COM

DATE:

AGENT#:

AGENT NAME:

CUSTOMER NAME:

MERCHANT NAME:

MERCHANT #:

TYPE OF SUBMITTAL:

- PROCESS A NEW CUSTOMER ADDITIONAL MERCHANT UPDATE TO MERCHANT ADDITIONAL SERVICES/EQUIPMENT CHANGE OF OWNERSHIP

IF THIS IS A CHANGE OF OWNERSHIP, LIST PREVIOUS MERCHANT #

****PAPERWORK ATTACHED****

- MERCHANT TRANSACTION PROCESSING AGREEMENT
- VOIDED CHECK (MUST BE PREPRINTED) OR BANK LETTER
- PAYMENT FORM
- RECENT STATEMENT (WITHIN THE LAST 3 MONTHS)
- COPY OF PROFIT CALCULATOR
- ADDITIONAL SERVICES FORM
- ADDITIONAL EQUIPMENT FORM
- GIFT CARD FORM
- VAR FORM - REQUIRED FOR ALL VAR SETUP REQUESTS
- BANK ACCOUNT CHANGE FORM
- OTHER _____

NOTES:

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Sales Order #

Vers. 2014.1

FEES APPLY ONLY TO SERVICES USED

SALES	Sales Agent #1		%	Sales Agent #2		%	Referring Source		Lead #	

LEGAL INFO	Legal Name									
	Legal Address		City		ST		Zip			
	Phone #		Contact		Email					

PRINCIPAL INFO	Principal Name		Title		Percent of Ownership				
	Home Address		City		ST		Zip		
	Phone #		SSN		Date of Birth				

NOTE: Additional principals can provide their information on a separate form.

STRUCTURE	Ownership Type:	<input type="radio"/> Corporation	<input type="radio"/> Limited Liability Company	<input type="radio"/> Sole Proprietorship	<input type="radio"/> Partnership	<input type="radio"/> Tax Exempt	<input type="radio"/> Other		
	Federal Tax ID#		Date Opened						

NOTE: Failure to provide accurate information may result in a withholding of merchant funding per IRS Regulations.

MERCHANT INFO	Merchant DBA Name									
	<input type="radio"/> Merchant Address same as Legal Address									
	Merchant Address		City		ST		Zip			
	Phone #		Contact		Email					

Merchant Type: Retail Lodging Restaurant E-Commerce Petroleum Super Market Other _____

Statement Mailing Address: Legal Merchant Principal Chargeback Mailing Address: Legal Merchant Principal

VISA DISCLOSURE	MEMBER BANK (ACQUIRER) INFORMATION	IMPORTANT MEMBER BANK (ACQUIRER) RESPONSIBILITIES	IMPORTANT MERCHANT RESPONSIBILITIES
	First National Bank of Omaha 1620 Dodge Street Omaha, NE 68197 800-853-9586	1. A Visa Member is the only entity approved to extend acceptance of Visa products directly to a Merchant. 2. A Visa Member is responsible for educating Merchants on pertinent Visa Operating Regulations with which Merchants must comply. 3. The Visa Member is responsible for and must provide settlement funds to the Merchant. 4. The Visa Member is responsible for all funds held in reserve that are derived from settlement.	1. Ensure compliance with cardholder data security and storage requirements. 2. Maintain fraud and chargeback's below thresholds. 3. Review and understand the terms of the Merchant Agreement. 4. Comply with Visa Operating Regulations.
	The responsibilities listed above do not supersede the terms of the Merchant Agreement and are provided to ensure the Merchant understands some important obligations of each party and that the Visa Member (Acquirer) is the ultimate authority should the Merchant have any problems.		

SIGN HERE

(Signature-Principal/Officer/Owner) (Print Name) (Merchant/DBA Name) (Address)

VISA, MC & DISCOVER	<input type="radio"/> Cost Plus Pricing			%	Per Transaction					
	<input type="radio"/> Tiered Pricing	Tier 1 Discount Rate			%	Per Transaction	\$			Per Transaction
		Tier 2 Discount Rate			%	Per Transaction				
		Tier 3 Discount Rate			%	Per Transaction				

MasterCard, Visa & Discover Assessment Pass-Through

MasterCard, Visa & Discover Interchange Fee Pass-Through

The following fees will be passed through at Association's rate: Visa Zero Floor Limit, Visa International Services (Including Cash Advance), Visa Misuse, MasterCard Cross Border (US/Non-US/Puerto Rico), MasterCard Processing Integrity, All other applicable association fees will be passed through at the Association's rate. Please review the Rate Descriptions online at www.transactionssummary.com or contact MainStream Merchant Services, Inc. at 866.674.1020 for additional information on which interchange programs qualify.

ADMIN FEES	Statement Fee	\$			Per Month Per Location	Voice Auth Fee	\$			Per Call	Batch Header Fee	\$			Per Occurrence
	Minimum Processing Fee	\$			Per Month Per Location	Voice Auth Referral Fee	\$			Per Call	ACH Reject, NSF or Returned Check Fee	\$			Per Occurrence
	Chargeback Handling Fee	\$			Per Chargeback	Voice AVS Request Fee	\$			Per Call	Retrieval Fee	\$			Per Occurrence

INITIAL HERE

Vers. 2014.1

FEES APPLY ONLY TO SERVICES USED

M/A	MainStream Assurance <input type="radio"/> Accept <input type="radio"/> Decline	<input type="checkbox"/> Merchant Initials	<input type="radio"/> Free Supplies and Overnight Equipment Replacement \$15.00/Terminal/Month	<input type="radio"/> Free Supplies \$11.95/Terminal/Month	<input type="radio"/> Overnight Equipment Replacement \$6.95/Terminal/Month
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AMEX	American Express ESA or One Point Item Fee \$. _____ Per Transaction	DEBIT/EBT	Debit Item Fee \$. _____ Per Transaction EBT Item Fee \$. _____ Per Transaction	GIFT	Gift/Reward Card Item Fee \$. _____ Per Transaction Gift/Reward Card Program Fee \$. _____ Per Month Per Location
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PCI	PCI Compliance Program Fee \$. _____ Per Month Per Location	REG	Regulatory and Compliance Fee \$. _____ Per Month Per Location	MISC	_____ \$. _____ Per Month _____ \$. _____ Per Trans
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OTHER	Wireless Item Fee \$. _____ Per Transaction Early Termination Fee: If the Agreement is terminated early during the initial term or any renewal term for any reason other than set out in paragraph 5.1, 5.2A, or 5.2B in the terms and conditions, then the merchant agrees to pay MainStream Merchant Services, Inc. two hundred and fifty dollars per MID.	Wireless Data Plan Fee \$. _____ Per Month Per Terminal	Virtual/Mobile Terminal Fee \$. _____ Per Month Per Terminal
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ACCEPTANCE & GUARANTY	<p>THIS general, absolute, and unconditional continuing Guaranty ("GUARANTY") by the undersigned (collectively "GUARANTOR" or "my" or "I" or "me"), is for the benefit of Mainstream Merchant Services Inc. and/or First National Bank of Omaha (each a "Guaranty Party" and "Collectively the "Guaranty Parties"). For value received, and in consideration of the mutual undertakings contained in the Merchant Transaction Processing Agreement and allied agreements ("AGREEMENT") between the Guaranty Parties and MERCHANT as set forth below, I absolutely and unconditionally guarantee the full performance of all MERCHANT's obligations to the Guaranty Parties, together with all costs, expenses, and attorneys' fees incurred by any Guaranty Party in connection with any actions, inactions, or defaults of MERCHANT. I waive any right to require the Guaranty Parties to proceed against other entities or MERCHANT. There are no conditions attached to the enforcement of this GUARANTY. I authorize the Guaranty Parties, their respective agents or assigns to make from time to time any personal credit or other inquiries and agree to provide, at request, financial statements and/or tax returns. I agree that this GUARANTY shall be governed and construed in accordance with the laws of the state of Nebraska, and that the courts of the state of Nebraska shall have and be vested with personal jurisdiction over me. This is a continuing GUARANTY and shall remain in effect until one hundred eighty (180) days after receipt by the Guaranty Parties of written notice by me terminating or modifying the same. The termination of the AGREEMENT or GUARANTY shall not release me from liability with respect to any obligations incurred before the effective date of termination. No termination of this GUARANTY shall be effected by any change in my legal status or any change in the relationship between MERCHANT and me. This GUARANTY shall bind and inure to the benefit of the personal representatives, heirs, administrators, successors and assigns of GUARANTOR and the Guaranty Parties.</p> <p style="text-align:center;">SIGN HERE</p> <p>_____ (Signature-Principal/Officer/Owner) (Print Name) (Date) (Address) (Social Security#) (Phone#)</p> <p>By their execution below the undersigned parties agree to abide by the Merchant Transaction Processing Agreement (the "AGREEMENT"). The AGREEMENT consists of the Merchant Application and the Terms and Conditions (a separate attachment hereto), and MERCHANT acknowledges that it has received and read the terms and conditions at the time of signing. MERCHANT warrants that the information provided on the Merchant Application is complete and accurate. MERCHANT authorizes Mainstream Merchant Services Inc. and/or BANK to provide a copy of this Merchant Application to any third party for the services requested. MERCHANT, and its signing officer/owner/partner, authorize Mainstream Merchant Services Inc. and/or BANK, or its agents or assigns, to make from time to time, any business and personal credit and other inquiries. If applicable, MERCHANT agrees by its signature below to the TMS Discover Agreement. TMS is not a party to the Merchant Transaction Processing Agreement. In witness whereof the parties hereto have caused this AGREEMENT to be executed by their duly authorized representatives effective on the date signed or approved by BANK.</p> <p style="text-align:center;">SIGN HERE</p> <p>_____ (Signature-Principal/Officer/Owner) (Print Name) (Title) (Date)</p> <p>_____ (Mainstream Merchant Services "ISO" Signature) (Print Name) (Date) (First National Bank of Omaha "BANK" Signature) (Print Name) (Date)</p>
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AMERICAN EXPRESS	<p><input type="radio"/> Existing American Express ESA ESA SE # _____ Merchant CAP # _____</p> <p><input type="radio"/> New Amex OnePoint Discount _____ % <input type="radio"/> New Amex ESA Discount _____ % <input type="radio"/> Monthly Flat (ESA) \$ _____</p> <p>Merchant Name: _____ Annual American Express Charge Vol \$ _____ Avg. Ticket \$ _____</p> <table style="width:100%;"> <tr> <td style="width:33%;"> <input type="radio"/> Retail: + \$0.10 Trans Fee <input type="radio"/> Restaurant: + \$0.05 Trans Fee </td> <td style="width:33%;"> <input type="radio"/> Daily Net Pay-ESA only <input type="radio"/> Daily Gross Pay-ESA only </td> </tr> <tr> <td> <input type="radio"/> Retail, Restaurant, Travel Agencies & Tour Operators: 0.30% CNP Downgrade </td> <td> <input type="radio"/> Monthly Gross Pay (+.03% if 100K+)-ESA only </td> </tr> <tr> <td> <input type="radio"/> B2B, Travel Agencies/Tour Operators & Services, Wholesale & All Other: + \$0.15 Trans Fee </td> <td> Payment Timing - ESA Only: <input type="radio"/> 3 Day <input type="radio"/> 15 Day <input type="radio"/> 30 Day </td> </tr> <tr> <td> <input type="radio"/> Inbound Fee: 0.40% on Cross Border Transactions* *Not applicable to Education </td> <td> Prepaid Gift Card Discount: _____ % + \$. _____ Per Transaction </td> </tr> </table> <p>By signing below, I represent that I have read and am authorized to sign and submit this application agreeing to be bound by the American Express® Card Acceptance Agreement ("American Express Agreement"), and that all information provided herein is true, complete, and accurate. I authorize TSYS Merchant Solutions, LLC. and its agents, assigns or affiliates (collectively "TMS") and American Express Travel Related Services Company, Inc. ("AXP") and AXP's agents and Affiliates to verify the information in this application and receive and exchange information about me personally, including by requesting reports from consumer reporting agencies from time to time, and disclose such information to their agent, subcontractors, Affiliates and other parties for any purpose permitted by law. I authorize and direct TMS and AXP and AXP's agents and Affiliates to inform me directly, or inform MERCHANT, of reports about me that they have requested from consumer reporting agencies. Such information will include the name and address of the agency furnishing the report. I also authorize AXP to use the reports on me from consumer reporting agencies for marketing and administrative purposes. I am able to read and understand the English language. Please read the American Express Privacy Statement at http://www.americanexpress.com/privacy to learn more about how American Express protects your privacy and how American Express uses your information. I understand that I may opt out of marketing communications by visiting this website or contacting American Express at 1-(800)-528-5200. I understand that upon AXP's approval of the application, the MERCHANT agrees to abide by the American Express Agreement and will be sent materials welcoming it, either to AXP's program for TMS to perform services for AXP or to AXP's standard Card acceptance program which has different servicing terms (e.g. different speeds of pay). I understand that if MERCHANT does not qualify for TMS's servicing program, that the entity may be enrolled in AXP's standard Card acceptance program, and MERCHANT may terminate the American Express Agreement. By accepting the American Express Card for the purchase of goods and/or services, or otherwise indicating its intention to be bound, MERCHANT agrees to be bound by the American Express Agreement. I understand that TMS, ISO and BANK are not parties to the American Express Agreement. By signing below, Merchant, Mainstream Merchant Services, Inc and TSYS Merchant Solutions, LLC ("TMS") agree to the terms of the TMS American Express Agreement. TMS is not a party to the Merchant Transaction Processing Agreement.</p> <p style="text-align:center;">SIGN HERE</p> <p>_____ (Signature-Principal/Officer/Owner) (Print Name) (Title) (Date)</p> <p>_____ (Mainstream Merchant Services "ISO" Signature) (Print Name) (Date) (TSYS Merchant Solutions "TMS" Signature) (Print Name) (Date)</p>	<input type="radio"/> Retail: + \$0.10 Trans Fee <input type="radio"/> Restaurant: + \$0.05 Trans Fee	<input type="radio"/> Daily Net Pay-ESA only <input type="radio"/> Daily Gross Pay-ESA only	<input type="radio"/> Retail, Restaurant, Travel Agencies & Tour Operators: 0.30% CNP Downgrade	<input type="radio"/> Monthly Gross Pay (+.03% if 100K+)-ESA only	<input type="radio"/> B2B, Travel Agencies/Tour Operators & Services, Wholesale & All Other: + \$0.15 Trans Fee	Payment Timing - ESA Only: <input type="radio"/> 3 Day <input type="radio"/> 15 Day <input type="radio"/> 30 Day	<input type="radio"/> Inbound Fee: 0.40% on Cross Border Transactions* *Not applicable to Education	Prepaid Gift Card Discount: _____ % + \$. _____ Per Transaction
<input type="radio"/> Retail: + \$0.10 Trans Fee <input type="radio"/> Restaurant: + \$0.05 Trans Fee	<input type="radio"/> Daily Net Pay-ESA only <input type="radio"/> Daily Gross Pay-ESA only								
<input type="radio"/> Retail, Restaurant, Travel Agencies & Tour Operators: 0.30% CNP Downgrade	<input type="radio"/> Monthly Gross Pay (+.03% if 100K+)-ESA only								
<input type="radio"/> B2B, Travel Agencies/Tour Operators & Services, Wholesale & All Other: + \$0.15 Trans Fee	Payment Timing - ESA Only: <input type="radio"/> 3 Day <input type="radio"/> 15 Day <input type="radio"/> 30 Day								
<input type="radio"/> Inbound Fee: 0.40% on Cross Border Transactions* *Not applicable to Education	Prepaid Gift Card Discount: _____ % + \$. _____ Per Transaction								

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EQUIPMENT	Terminal Location	_____									
	Terminal	<input type="radio"/> N	<input type="radio"/> E	<input type="radio"/> X	_____	_____	Dial <input type="radio"/>	IP <input type="radio"/>			
	Printer	<input type="radio"/>	<input type="radio"/>		_____	_____					
	Pin Pad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	_____	_____					
	Check Reader	<input type="radio"/>	<input type="radio"/>		_____	_____					
	Other	<input type="radio"/>	<input type="radio"/>		_____	_____	Dial <input type="radio"/>	IP <input type="radio"/>			
Merchant Name											As it should appear on receipt header
Merchant Return Policy on Terminal Receipt: (Optional)											<input type="radio"/> All Sales Final <input type="radio"/> No Refunds <input type="radio"/> Store Credit Only
Imprinters	Plates	Qty	Auto Close	Auto Close Time	Time Zone	CVV	AVS	Tip Line	Server #s		
Qty <input type="text"/>	<input type="radio"/> Short	<input type="text"/>	<input type="radio"/> Yes <input type="radio"/> No	<input type="text"/>	<input type="radio"/> EST <input type="radio"/> MTN <input type="radio"/> CNT	<input type="radio"/> Yes <input type="radio"/> No					
				<input type="radio"/> AM <input type="radio"/> PM	<input type="radio"/> PAC						

****BANK is not offering equipment under this section and shall have no liability for equipment offered under this section.**

SHIPPING	Ship To	<input type="radio"/> Merchant Address	<input type="radio"/> Legal Address	<input type="radio"/> Other (Must complete fields below for this option)
	Name	_____		
	Address	_____	City	_____ ST _____ Zip _____
	Shipping Method	<input type="radio"/> Ground	<input type="radio"/> 2-Day	<input type="radio"/> Overnight

VISA & MASTERCARD	<input type="radio"/> Currently Accepts Cards	Previous Processor	_____									
	<input type="radio"/> Does Not Accept Cards	(Please Include Copies of 3 Most Recent Statements)										
	Average Monthly Volume	High Monthly Volume	Average Ticket	High Ticket								
	\$ _____	\$ _____	\$ _____	\$ _____								
	Do You Operate As A Seasonal Merchant?	(If Seasonal, Indicate Operating Months)										
	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Jan	<input type="radio"/> Feb	<input type="radio"/> Mar	<input type="radio"/> Apr	<input type="radio"/> May	<input type="radio"/> Jun	<input type="radio"/> Jul	<input type="radio"/> Aug	<input type="radio"/> Sep	<input type="radio"/> Oct	<input type="radio"/> Nov
Swiped/Non-Swiped Percentages				Merchant Sales Type								
Face to Face	Imprinted	Mail/Phone	Internet	Sales to: Consumer _____%								
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	Sales to: Business _____%								
				TOTAL = 100%								
Business Product Type (describe fully)												

When is cardholder billed for goods?	<input type="radio"/> On Order	<input type="radio"/> On Shipment	Average number of days between order and shipment?	_____ %								
Do you use any third party fulfillment houses?	<input type="radio"/> Yes	<input type="radio"/> No	If Yes, provide a contact list:	_____								
Do you work with any third parties or software vendors who have access to cardholder data?	<input type="radio"/> Yes	<input type="radio"/> No	If Yes, provide a contact list:	_____								
Are you currently PCI Compliant?	<input type="radio"/> Yes	<input type="radio"/> No										
Do you have a refund policy?	<input type="radio"/> Yes	<input type="radio"/> No	If Yes, please indicate:	<input type="radio"/> V/MC Credit <input type="radio"/> Store Credit <input type="radio"/> Exchange <input type="radio"/> Other _____								

SITE	Was Site Inspection Performed?	<input type="radio"/> Yes <input type="radio"/> No	Sales Agent Initials	_____	By initialing, the sales agent attests that a site inspection of the above named customer's premises was conducted and that the customer has the proper facilities, equipment, inventory and licenses required to conduct the business.
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CHECKS	<input type="radio"/> Merchant Currently Accepts Check Services	Company	_____	<input type="radio"/> Apply For Check Services (Requires signed agreement)
		Merchant #	_____	

AMEX	<input type="radio"/> Merchant Currently Accepts American Express	Merchant #	_____	<input type="radio"/> Apply For A New American Express	<input type="radio"/> ESA	<input type="radio"/> ONE POINT
				Est. Annual Volume \$ _____	Est. Avg. Ticket \$ _____	

DEBIT	<input type="radio"/> Activate Debit	EBT	<input type="radio"/> Activate EBT	FNS # _____	WEX	<input type="radio"/> Activate WEX	GIFT	<input type="radio"/> Activate Gift Cards
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In accordance with the terms set out in the Terms and Conditions, transfer funds will be made to/from the account set forth in the enclosed voided check or bank letter.

ATTACH VOIDED CHECK OR BANK LETTER HERE

VOIDED CHECK

DEPOSIT ACCOUNT

Account Type: Business Checking Personal Checking

Name on Bank Account

Routing # Account #

Bank Name Bank Address

City State Zip Phone

Deposit Consolidation: Each batch is deposited individually (recommended) All batches for a merchant combine into a single deposit

FUNDING

Standard Funding Apply for Next Day Funding (subject to approval)

To the extent the Next Day Funding is selected on the Merchant Application, and subject to the terms of this AGREEMENT, BANK will generally initiate a credit via ACH of proceeds from SALES to the DESIGNATED ACCOUNT on the business day after BANK processes such SALES, provided that BANK successfully receives the complete transaction data from such SALES by the applicable cut off time as determined by BANK. Notwithstanding the foregoing, BANK will not be liable to MERCHANT if an ACH credit of SALES proceeds is not initiated within such one (1) business day time period. BANK may change the time frame for the ACH credit of SALES proceeds at any time and without notice to MERCHANT. For purposes of this section, "business day" will mean any day on which the Federal Reserve is open for business, other than Saturdays, Sundays, or state or federal holidays.

PAYMENT FORM

Sales Order #

2014.1

Legal Name

EQUIPMENT	Make	Model/Version	Qty	
	<input type="text" value="TERMINAL"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text" value="TERMINAL"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text" value="PRINTER"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text" value="PIN PAD"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text" value="CHECK READER"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text" value="OTHER"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
				TOTAL EQUIPMENT PRICE
				\$ <input type="text"/> . <input type="text"/>

PAID IN FULL	<input type="radio"/> Paid by Check	Check # <input type="text"/>	Equipment Price \$ <input type="text"/>
	<input type="radio"/> Paid by ACH	<input type="text"/>	Tax \$ <input type="text"/>
		(Bank Routing #) <input type="text"/> (Checking Account Number) <input type="text"/>	Application Fee \$ <input type="text"/>
	<input type="radio"/> Paid by Credit Card	<input type="text"/>	Other \$ <input type="text"/>
	(Credit Card #) <input type="text"/> / <input type="text"/>	Expiration Date	TOTAL DUE \$ <input type="text"/>

PAID BY LEASE	<input type="radio"/> Paid by Check	Check # <input type="text"/>	First & Last Lease Payment \$ <input type="text"/>
	<input type="radio"/> Paid by ACH	<input type="text"/>	
	(Bank Routing #) <input type="text"/> (Checking Account Number) <input type="text"/>		
THIRD PARTY LEASE TO BE EXECUTED BY SEPARATE AGREEMENT TO WHICH MAINSTREAM MERCHANT SERVICES, INC. IS NOT A PARTY			

PAID BY INSTALLMENTS	Down payment paid by?	Equipment Price \$ <input type="text"/>	
	<input type="radio"/> Paid by Check	Check # <input type="text"/>	Tax \$ <input type="text"/>
	<input type="radio"/> Paid by ACH	<input type="text"/>	Application Fee \$ <input type="text"/>
		(Bank Routing #) <input type="text"/> (Checking Account Number) <input type="text"/>	Other \$ <input type="text"/>
	<input type="radio"/> Paid by Credit Card	<input type="text"/>	TOTAL DUE \$ <input type="text"/>
	(Credit Card #) <input type="text"/> / <input type="text"/>	Expiration Date	Down Payment \$ <input type="text"/>
	NOTE		Net Due \$ <input type="text"/>
	The down payment is due immediately and the remaining 3 installments will be collected by ACH 30, 60, and 90 days from the date of this agreement.		Paid in 3 Equal Installments of \$ <input type="text"/>

OTHER	<input type="text"/>	Total Fee \$ <input type="text"/>
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SIGNATURE	The Undersigned hereby authorizes Mainstream Merchant Services, Inc. to electronically draft via the Federal Automated Clearinghouse (ACH) system the amounts indicated above and, if applicable, all installment payments from the account identified by Customer herein or have the fees described above charged to signer's credit card as indicated.			
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	(Signature)	(Printed Name)	(Title)	(Date)

Terms and Conditions

Processing Terms and Conditions
Funds Transfer Instructions
TMS Discover Agreement
TMS American Express Agreement
Association Rules
ATM/Debit Network Rules

Provided by



First National Bank of Omaha
800.853.9586
Member Bank for Visa, Inc. and MasterCard International, Inc.

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PROCESSING TERMS AND CONDITIONS

This Merchant Transaction Processing Agreement (together with its addenda, attachments, and schedules shall be hereinafter known as the "AGREEMENT"), is by and among the parties in the Merchant Application (the "PARTIES"). The AGREEMENT shall become effective as set out in the signature block of the Merchant Application.

- A. WHEREAS, BANK is a Member of VISA, Inc. ("VISA") and MasterCard International, Inc. ("MASTERCARD"), and provides transaction processing and other services and products ("SERVICES") in relation to financial service cards issued by VISA, MASTERCARD, and other financial service card organizations, including ATM/Debit networks (together herein known as "CARD(S)"). VISA, MASTERCARD, ATM/Debit Networks, and the other financial service card organizations shall be collectively known as "ASSOCIATIONS";
- B. WHEREAS, MERCHANT, in furtherance of its business operations, wishes to accept CARDS and have BANK process the resulting transactions ("SALES") pursuant to the terms and conditions set out below. For purposes of this AGREEMENT, ATM/Debit transactions shall mean those transactions processed on an ATM/Debit network ("NETWORK(S)") in an on-line real time environment requiring the entry of a personal identification number ("PIN");
- C. WHEREAS, MERCHANT may desire to be sponsored as a participant in certain NETWORKS, under the terms of the rules and regulations of each such NETWORK;
- D. WHEREAS, ASSOCIATIONS and BANK each have adopted rules and regulations relating to all aspects of SALES and SERVICES. Such rules and regulations, as amended from time to time, are incorporated herein by this reference and shall be referred to as the "RULES"; and
- E. WHEREAS, MERCHANT understands that this is an agreement for transaction processing and that the DISCOUNT (as defined herein) for the SERVICES is calculated based on certain factors, including without limitation, the term of this AGREEMENT, the number of transactions processed, the business type, the type of goods and/or services sold, and the method of processing.
- F. WHEREAS, BANK has assigned and/or delegated some of its rights and obligations under this AGREEMENT to TSYS Merchant Solutions, LLC ("TMS"); provided however that it is able to do so by the ASSOCIATIONS, NETWORKS, RULES, and any applicable law. To the extent that BANK has assigned and/or delegated rights and/or obligations to TMS under any particular provision of this AGREEMENT, references to BANK in such provisions shall include TMS.;
- G. WHEREAS, all applicable ADDENDA are attached hereto and are made a part of this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the PARTIES do hereby agree as follows:

1. GENERAL:

- 1.1 As a result of MERCHANT submitting SALES for processing to BANK, BANK will process such SALES and credit or debit MERCHANT's DESIGNATED ACCOUNT (as defined herein) with the resulting financial proceeds of such SALES, provided, however, that no payment for SALES will take place unless and until BANK has received payment for such SALES from the ASSOCIATIONS. In addition, when a disputed transaction ("CHARGEBACK") occurs, MERCHANT agrees to provide all requested information to BANK and BANK agrees to forward such information to the ASSOCIATIONS in accordance with the RULES and the ASSOCIATIONS' dispute resolution guidelines. BANK is not responsible for the outcome of any CHARGEBACK.
- 1.2 The CARDS designated herein will be processed under the terms and conditions of the AGREEMENT as long as BANK is contractually permitted to offer such SERVICES by the respective ASSOCIATIONS.
- 1.3 On an exclusive basis, MERCHANT agrees to submit all SALES for processing from CARDS accepted in MERCHANT's business as described in the Merchant Application to BANK in accordance with the RULES and pursuant to the terms of this AGREEMENT.
- 1.4 MERCHANT and BANK agree to abide by the RULES, a summary of which is attached hereto as the ASSOCIATION RULES and the ATM/DEBIT NETWORK RULES. The attached summaries are incorporated into the collective definition of the RULES. BANK and ASSOCIATIONS may from time to time amend the RULES or operating procedures related to SALES and SERVICES. MERCHANT has been supplied with a summary of the RULES and by signing AGREEMENT, acknowledges that it has reviewed them. MERCHANT agrees to comply with all applicable state, federal and local laws, rules and regulations ("LAWS"). MERCHANT agrees to assist BANK in complying in a complete and timely manner with all LAWS and RULES now or hereafter applicable to any SALE or this AGREEMENT. MERCHANT will execute and deliver to BANK all such instruments that BANK may from time to time deem necessary. It is MERCHANT's responsibility to know all applicable LAWS and the RULES that apply to MERCHANT's acceptance of CARDS and to ensure that MERCHANT's equipment complies with all LAWS and RULES. MERCHANT agrees to indemnify, defend, and hold BANK harmless from and against any loss, cost or damage (including reasonable legal fees and court costs) incurred as a result of MERCHANT's failure to comply with applicable LAWS or RULES.
- 1.5 MERCHANT agrees that it will not use for its own purposes, will not disclose to any third party, and will retain in strictest confidence all information and data belonging to or relating to the business of BANK, including but not limited to the terms of this AGREEMENT, and will safeguard such information and data by using a reasonable degree of care but in no event less than the same degree of care that MERCHANT uses to protect its own confidential information.
- 1.6 Security Standards
 - A. MERCHANT agrees it will not disclose to any third party any cardholder account information or other personal information except to their agent assisting in completing a card transaction, or as required by LAWS or RULES. MERCHANT must not request or use cardholder account number information for any purpose that MERCHANT knows or should have known to be fraudulent or in violation of the RULES, or for any purpose that the cardholder did not authorize, except to MERCHANT's agent assisting in completing a card transaction, or as required by law. MERCHANT must keep all systems and media containing account, cardholder or transaction information (physical or electronic, including but not limited to account

numbers, card imprints, and terminal identification numbers) in a secure manner, to prevent access by or disclosure to anyone other than MERCHANT's authorized personnel. MERCHANT must destroy, in a manner that will render the data unreadable, all such media that MERCHANT no longer deems necessary or appropriate to store (except for Sales Drafts maintained in accordance with this AGREEMENT, LAWS or RULES). Further, MERCHANT must take all steps reasonably necessary to ensure cardholder information is not disclosed or otherwise misused. MERCHANT may not retain or store magnetic stripe, CVV2 or CVC2 data after authorization. MERCHANT must not store, and must ensure that all of MERCHANT's third party providers that have access to cardholder data do not store, magnetic stripe, CVV2 or CVC2 data after a transaction.

- B. If MERCHANT uses any third parties who will have access to cardholder data ("Merchant Provider(s)"), or any third party payment application(s) or software, MERCHANT must notify BANK of the identity of the Merchant Provider(s) and/or the name and version of the payment application(s) or software. In addition, MERCHANT must: (1) only allow the Merchant Providers access to the cardholder data for purposes that are authorized by the RULES, (2) have proper security measures in place for the protection of cardholder data, (3) ensure that Merchant Providers have proper security measures in place for the protection of cardholder data, (4) comply with and assure that Merchant Providers comply with the Payment Card Industry ("PCI") Data Security Standard, as amended from time to time, which may be referred to as the Visa Cardholder Information Security Program ("CISP") (found at www.visa.com) and the MasterCard Site Data Protection Program ("SDP") (found at www.mastercard.com), and (5) have written agreements with Merchant Providers requiring the compliance set forth herein. MERCHANT will immediately notify BANK of any suspected or confirmed loss or theft of any transaction information, including any loss or theft from a Merchant Provider. MERCHANT is responsible for demonstrating MERCHANT's and Merchant Providers' compliance with the CISP, SDP, DISC, DSOP, and PCI programs, and providing reasonable access to MERCHANT's locations and ensuring Merchant Providers provide reasonable access to their locations to verify MERCHANT's and Merchant Providers' ability to prevent future security violations. Any fees, fines or penalties resulting from non-compliance will be passed through to MERCHANT. MERCHANT agrees to indemnify BANK and the ASSOCIATIONS against all costs, expenses, damages and/or losses resulting from any breach of security, or loss or theft of information.
- C. In addition, in the event of a suspected or confirmed loss or theft of information, MERCHANT agrees, at MERCHANT's cost, to provide all information requested by BANK, an ASSOCIATION, other financial institutions or local, state or federal officials in connection with such event and to cooperate in any ensuing investigation. Any information provided in response to such investigation will (as between MERCHANT and BANK) be considered BANK's confidential information. MERCHANT agrees that BANK may release to the ASSOCIATIONS, other financial institutions and/or regulatory, local, state or federal officials, any information MERCHANT provides to BANK in connection with a suspected or confirmed loss or theft of transaction information. The requirements of this provision apply to cardholder data regardless of the medium in which the information is contained and regardless of whether MERCHANT processes transactions via Internet, mail, phone, face-to-face or any other method. Additional information regarding data security may be found at the ASSOCIATIONS' websites.
- 1.7 Submission by MERCHANT of SALES or participation in SERVICES at any time after seven (7) days from the date of distribution of or publication by the ASSOCIATIONS of amended RULES to MERCHANT shall be evidence that MERCHANT was provided with and/or received access to the amended RULES and has agreed to abide by them.
- 1.8 If MERCHANT is a healthcare provider or other entity covered by the Health Insurance Portability and Accountability Act of 1996, as amended, and the supporting regulations under 45 C.F.R. Part 160 and 164, as amended, MERCHANT agrees it will not provide BANK with Personal Healthcare Information (as defined in such act).

2. SPECIFIC OPERATING PROCEDURES:

- 2.1 MERCHANT agrees that it will comply with all Card Acceptance Procedures in the RULES for each SALE, including, but not limited to the following:
- A. MERCHANT agrees that it will obtain and record a valid positive authorization for all SALES in accordance with the RULES before submitting them to BANK for processing;
- B. MERCHANT must be able to prove, by evidence of a terminal capture of the magnetic stripe or a signed SALES DRAFT (as defined in the RULES) showing imprint of the CARD, that the CARD was present at the time of SALE, unless specifically set up for Card Not Present transactions; and
- C. Failure to read the magnetic stripe on the card may result in a DISCOUNT rate tier downgrade or a CHARGEBACK.
- 2.2 BANK and/or third party banks with which BANK has a relationship are members of certain NETWORKS and are willing to sponsor MERCHANT as a participant in such NETWORKS ("SPONSOR") as set forth in the Merchant Application. Additional NETWORKS may be available from time to time. BANK does not warrant the continuing availability of any NETWORK. MERCHANT agrees to pay BANK the then current FEES for any NETWORK added or deleted after the effective date of this AGREEMENT. MERCHANT hereby delegates to BANK the authority to decide to which NETWORK a given debit transaction will be routed.
- 2.3 MERCHANT agrees to accept valid CARDS of each of the selected NETWORKS and any minimums, maximums or surcharges imposed by MERCHANT will be in accordance with the NETWORKS, RULES and LAWS. MERCHANT agrees to comply with Federal Regulation E and the rules, procedures, fees, assessments, penalties, and other obligations of each NETWORK, as from time to time are in effect.
- 2.4 BANK may provide MERCHANT access through MERCHANT's terminals to the NETWORKS as set forth herein.
- 2.5 MERCHANT must Batch Out each POS terminal every day. Failure to Batch Out daily will delay the deposit of funds. "Batch Out" is the process by which MERCHANT totals and settles all transactions, on each POS terminal, which occurred before midnight (12:00 a.m.) and transmits the information to BANK. In all cases, MERCHANT must present the record within three (3) business days after the transaction date, unless otherwise permitted by the RULES. Transactions contained in an untimely Batch Out may incur higher rates, be refused, be held for a one hundred eighty (180) day period, or become subject to a CHARGEBACK. MERCHANT is responsible for re-submitting a Batch Out or a sales ticket if the POS terminal fails to properly Batch Out or if

sales ticket data does not process through the normal payment cycle. BANK is not liable to MERCHANT for higher rates or for amounts BANK did not collect, including but not limited to amounts collected by third party service providers.

3. PAYMENT OF SUMS DUE:

- 3.1 MERCHANT agrees to pay BANK the fees as set forth in the Merchant Application and all other sums owed to BANK for SALES and SERVICES as set forth in this AGREEMENT as amended from time to time ("FEES"). FEES include but are not limited to all CHARGEBACKS. MERCHANT agrees that it is jointly and severally liable for all FEES, charges, and other sums owed to BANK by any affiliated entities of MERCHANT.
- 3.2 As set out in the Merchant Application and the Rate Descriptions, discount ("DISCOUNT") is a FEE charged as a percentage of gross SALES submitted by MERCHANT, which generally includes "Processing," "Authorizations," "Assessments," and "Interchange." Assessments and Interchange are the standard fees that the ASSOCIATIONS charge for the clearing of SALES transactions and are subject to change by the ASSOCIATIONS. BANK has no direct control over these fees. Any adjustment in Interchange and Assessments by the ASSOCIATIONS may result in an adjustment to MERCHANT's DISCOUNT. BANK will notify MERCHANT in writing of any change in FEES caused by action of ASSOCIATIONS prior to any such change becoming effective. Notice to MERCHANT of any change in FEES caused by ASSOCIATIONS may be less than thirty (30) days.
- 3.3 DISCOUNT is quoted by BANK based on the information supplied by MERCHANT as set forth in the Merchant Application. MERCHANT agrees that the FEES are based on the term of this AGREEMENT, the method of processing, and the information set forth in the Merchant Application. MERCHANT agrees that such information is a material fact in the calculation of the DISCOUNT and other FEES. MERCHANT agrees that if such information is shown to be incorrect or if such information changes, BANK may amend FEES on less than thirty (30) days notice as set out herein and/or add FEES on less than thirty (30) days notice to reflect such change. MERCHANT agrees to pay such amended and/or additional FEES.
- 3.4 MERCHANT agrees that FEES not listed in the AGREEMENT will be charged at BANK's current rate.
- 3.5 The FEES may be amended by BANK on thirty (30) days written notice to MERCHANT unless provided otherwise herein.
- 3.6 MERCHANT agrees to pay BANK for CHARGEBACKS related to SALES or SERVICES. MERCHANT understands that BANK is in no way financially responsible for CHARGEBACKS. Failure to comply with the RULES will increase MERCHANT's exposure to CHARGEBACKS. MERCHANT's obligation to pay CHARGEBACKS shall survive the termination or expiration of AGREEMENT.
- 3.7 If the ASSOCIATIONS or a regulatory body governing BANK should levy a fine or penalty or assess a charge to BANK as a result of MERCHANT's SALES or SERVICES or CHARGEBACK activity, MERCHANT agrees to pay such fines, penalties, or charges, and any administrative fees associated with same.
- 3.8 MERCHANT shall establish a designated account at the institution of its choice ("DESIGNATED ACCOUNT") for the credit and debit of sums between the PARTIES. MERCHANT, pursuant to the Funds Transfer Instructions set out herein, authorizes BANK to make deposits and withdrawals from the DESIGNATED ACCOUNT. MERCHANT hereby grants to BANK a security interest and lien upon the DESIGNATED ACCOUNT to secure all of MERCHANT's (or any related entity under MERCHANT's control) obligations to BANK under this AGREEMENT. If required by BANK, MERCHANT agrees to cooperate with BANK and the depository bank maintaining the DESIGNATED ACCOUNT to cause a Control Agreement to be executed with respect to the DESIGNATED ACCOUNT. MERCHANT agrees to maintain a balance in the DESIGNATED ACCOUNT in an amount specified by BANK and MERCHANT agrees to deposit funds into the DESIGNATED ACCOUNT so that the minimum balance required by BANK is maintained. If this AGREEMENT is terminated for any reason, the DESIGNATED ACCOUNT shall be maintained for a period of time reasonably determined by BANK in its sole discretion to cover any potential amounts owed under this AGREEMENT, including but not limited to CHARGEBACKS, FEES, fines, penalties, charges or administrative fees related to SALES and MERCHANT's actions and/or inactions under the terms of this AGREEMENT. BANK may recoup and debit from the DESIGNATED ACCOUNT all FEES and other obligations due to BANK under this AGREEMENT or any other agreement MERCHANT or MERCHANT's related entities have with BANK without prior notice to MERCHANT. After all obligations of MERCHANT under this AGREEMENT are satisfied in full, the balance in the DESIGNATED ACCOUNT, if any, shall be paid to MERCHANT. MERCHANT agrees to indemnify and hold harmless all financial institutions from any loss or claim incurred for acting on instructions from BANK with respect to the DESIGNATED ACCOUNT. MERCHANT agrees not to pledge or assign the DESIGNATED ACCOUNT, any proceeds of it or any other amounts due BANK under this AGREEMENT to any person or entity and MERCHANT shall continually maintain the DESIGNATED ACCOUNT free from all liens and encumbrances. In the event a RESERVE ACCOUNT, as defined below, is established, MERCHANT authorizes BANK to make withdrawals from the DESIGNATED ACCOUNT to replenish the RESERVE ACCOUNT as necessary.
- 3.9 MERCHANT agrees to provide BANK with a deposit in the amount of money required by BANK ("RESERVE ACCOUNT"), if determined necessary by BANK: (i) at the time this AGREEMENT is executed; (ii) if in the opinion of BANK, information received or discovered about MERCHANT reflects an adverse change in status; (iii) in the event that any information requested by BANK is not received; (iv) upon the notice of termination or expiration of the AGREEMENT; or (v) at any time during the term of this AGREEMENT. BANK may withhold the payment for SALES in an amount reasonably determined by BANK as necessary to secure payment by MERCHANT of all FEES and other obligations under this AGREEMENT and the amounts so withheld shall be deposited into the RESERVE ACCOUNT. If there is not enough money retained to cover the anticipated FEES, BANK may require MERCHANT to remit additional funds. The RESERVE ACCOUNT shall be maintained in a bank account with BANK in the name of BANK and under the sole control of BANK, and MERCHANT grants to BANK a security interest and lien upon the RESERVE ACCOUNT to secure all of MERCHANT's obligations to BANK under this AGREEMENT. If this AGREEMENT is terminated for any reason, the RESERVE ACCOUNT shall be maintained for a period of time reasonably determined by BANK in its sole discretion to cover any potential amounts owed under this AGREEMENT, including but not limited to CHARGEBACKS, FEES, fines, penalties, charges or administrative fees related to SALES and MERCHANT's actions and/or inactions under the terms of this AGREEMENT. BANK may recoup and debit from the RESERVE ACCOUNT all FEES and other obligations due to BANK under this AGREEMENT without prior notice to MERCHANT. After all obligations of MERCHANT under this AGREEMENT are satisfied in full, the balance in the RESERVE ACCOUNT, if any, shall be paid to MERCHANT.

- 3.10 BANK agrees to pay MERCHANT for SALES less FEES owed to BANK by MERCHANT. BANK shall recoup and deduct FEES from incoming transactions or recoup and debit the same from MERCHANT's DESIGNATED ACCOUNT or the RESERVE ACCOUNT. MERCHANT agrees that BANK has the right to deduct these FEES at any time including on a daily basis if necessary. BANK is not obligated to pay MERCHANT or credit the DESIGNATED ACCOUNT for any SALES transmitted or delivered to BANK after MERCHANT becomes insolvent, ceases to do business, or dissolves.
- 3.11 BANK has the right of recoupment and set-off. This means that BANK may recoup and offset any outstanding or uncollected amounts owed to BANK under this AGREEMENT from: (i) any amounts BANK would otherwise be obligated to deposit into the DESIGNATED ACCOUNT, and (ii) any other amounts BANK may owe MERCHANT under this AGREEMENT or any other agreement.
- 3.12 If MERCHANT does not pay any sums due within thirty (30) days from date of notice, BANK will charge, and MERCHANT agrees to pay, a late fee of one and one-half percent (1.5%) per month on the balance outstanding or the highest amount allowed by law.
- 3.13 If MERCHANT breaches AGREEMENT or if BANK identifies suspicious or irregular activity related to SALES or SERVICES, BANK may refuse to process SALES or to provide SERVICES and/or may hold funds pending the cure of such breach or resolution of such activity.
- 3.14 If BANK takes any action against MERCHANT to collect any FEES or monies due to BANK from MERCHANT, MERCHANT agrees to pay all costs of collection, including but not limited to, attorney fees, to the extent allowed by law.
- 3.15 If MERCHANT is a participant in a BANK third party program including, but not limited to, Agent Bank and/or Association programs, and MERCHANT subsequently leaves such third party, BANK may amend the FEES or terminate the AGREEMENT.

4. TERM OF AGREEMENT:

- 4.1 The initial term of this AGREEMENT shall be for three (3) years ("INITIAL TERM") commencing on the date this AGREEMENT is executed or approved by an authorized agent of BANK or approved and uploaded by BANK's Risk Department.
- 4.2 At the expiration of the INITIAL TERM, this AGREEMENT will automatically renew for successive two (2) year periods ("RENEWAL TERM") unless terminated as set out below.

5. TERMINATION OF AGREEMENT:

- 5.1 This AGREEMENT may be terminated by BANK at any time effective upon thirty (30) days written notice.
- 5.2 MERCHANT may terminate this AGREEMENT as follows:
- A. upon BANK's default of any material obligation to MERCHANT thereunder and the failure of BANK to cure such default within thirty (30) days after written notice of such default;
 - B. upon written notice of non-renewal at least thirty (30) days prior to the commencement of any RENEWAL TERM; or
 - C. on thirty (30) days notice of termination accompanied by payment of the EARLY TERMINATION FEE.
- 5.3 In order to protect the ASSOCIATIONS and BANK, BANK may terminate this AGREEMENT effective immediately for any of the following reasons:
- A. insolvency, receivership, voluntary or involuntary bankruptcy, assignment of any of MERCHANT's assets for the benefit of MERCHANT's property creditors, or if any part of MERCHANT's property is or becomes subject to any levy, seizure, assignment or sale for or by any creditor or governmental agency without being released within thirty (30) days thereafter;
 - B. if MERCHANT fails to pay any FEES when due;
 - C. if MERCHANT has misrepresented or omitted any material information provided to BANK;
 - D. if MERCHANT is in breach of the AGREEMENT or the RULES;
 - E. if MERCHANT, after BANK's request, fails to send copies of SALES DRAFTS to BANK;
 - F. if MERCHANT submits for processing SALES that were not originated as a result of a direct SALE transaction between a cardholder and MERCHANT in the normal course of business ("LAUNDERING");
 - G. if the number of CHARGEBACKS experienced by MERCHANT in any one (1) month exceeds one percent (1%) of the number of SALES in that or any prior month;
 - H. in the event of a material change of MERCHANT's business as described in the Merchant Application ("BUSINESS");
 - I. in the event the ASSOCIATIONS identify MERCHANT, its principal, or associated parties under any program designed to monitor merchants, or MERCHANT creates circumstances that cause harm or loss of goodwill to BANK or the VISA system;
 - J. if MERCHANT is inactive for ninety (90) days and is not a seasonal MERCHANT; or
 - K. in the event that Guarantor (if designated) gives notice of its intention to withdraw the Guaranty.
- 5.4 Effect of Termination of the AGREEMENT:
- A. In the event that this AGREEMENT is terminated by BANK for cause, BANK may be required to report the name and address of MERCHANT and MERCHANT's principals to the ASSOCIATIONS for inclusion on the Terminated Merchant File and in other programs that monitor merchants. In the event that this AGREEMENT is terminated for cause and MERCHANT is obligated to BANK for sums due and the principals of MERCHANT are liable for such debts, a negative credit report may be submitted to a credit-reporting agency.
 - B. MERCHANT hereby releases, indemnifies and holds BANK and the ASSOCIATIONS harmless to the fullest extent permitted by applicable law for any loss or damage it may incur as a result of reporting MERCHANT or its principals to a credit reporting agency hereunder or as a consequence of MERCHANT or its principals being placed by BANK or its Agents on the ASSOCIATIONS' merchant monitoring lists.

6. BANKRUPTCY:

- 6.1 It is not the intention of the PARTIES that BANK remain obligated to continue processing SALES or providing SERVICES in the event of a bankruptcy filing by MERCHANT. Upon filing voluntary or involuntary bankruptcy proceedings by or against

MERCHANT, MERCHANT must notify BANK in writing within five (5) days. Notification must be sent by certified mail to BANK at the addresses for NOTICES set out herein.

- 6.2 Credits to MERCHANT's DESIGNATED ACCOUNT and other payments to MERCHANT are provisional. The PARTIES acknowledge the AGREEMENT is an agreement whereby BANK is extending financial accommodations to MERCHANT within the meaning of Section 365 of the Bankruptcy Code as amended from time to time. The right of MERCHANT to receive any amounts due or to become due from BANK is expressly subject and subordinate to the CHARGEBACKS, recoupment, setoff, lien, and security interest rights of BANK under this AGREEMENT without regard to whether such CHARGEBACKS, recoupment, setoff, lien, and/or security interest rights are being applied to claims that are liquidated, unliquidated, fixed, contingent, matured, or unmatured.

7. INFORMATION AND DOCUMENTATION:

- 7.1 MERCHANT agrees to comply with all requests for information and documentation regarding SALES and the CARDS utilized in processing such SALES or SERVICES under AGREEMENT within the time period stated by BANK in its request.
- 7.2 **USA PATRIOT ACT REQUIREMENTS.** To help the government fight the funding of terrorism and money laundering activities, the USA PATRIOT Act requires all financial institutions to obtain, verify, and record information that identifies each person (including business entities) who opens an account. What this means: When MERCHANT opens an account, BANK will ask for the applicant's name, physical address, date of birth, taxpayer identification number, and other information that will allow BANK to identify the applicant. BANK may also ask to see the applicant's driver's license or other identifying documents. BANK will advise MERCHANT if additional information is required.
- 7.3 Upon BANK's request, MERCHANT shall provide BANK with current financial statements in a format acceptable to BANK.
- 7.4 MERCHANT and its signing officer/owner/partner/principal authorize BANK, or its agents or assigns, to make, from time to time, any business and personal credit and other inquiries BANK considers necessary to review the acceptance and continuation of this AGREEMENT. MERCHANT authorizes parties contacted by BANK or any of its affiliates, in relation to this AGREEMENT, to release the credit information requested by BANK or any affiliate.
- 7.5 MERCHANT is supplied with monthly reports by BANK regarding MERCHANT's SALES or SERVICES activity. It is MERCHANT's sole responsibility to report any error or discrepancies detected by MERCHANT in writing to BANK within ninety (90) days following the end of the monthly reporting period. After such period, MERCHANT will be deemed to have accepted the monthly reports as delivered.
- 7.6 MERCHANT will notify BANK immediately of any change in ownership, corporate or "d/b/a" name, location address, or the information contained on MERCHANT's imprinter plates.
- 7.7 If MERCHANT participates in any BANK third party program, MERCHANT agrees that BANK may report information as required to such third party.
- 7.8 MERCHANT is solely responsible for maintaining complete backup records of all information relating to its customers' orders, inquiries, purchases, SALES and any other customer information in accordance with this AGREEMENT, LAWS, and RULES.

8. PROCESSING RESTRICTIONS:

- 8.1 MERCHANT agrees that it will not materially change its BUSINESS or the method in which it markets or sells the goods and services of BUSINESS without informing BANK in advance of such change. BANK will only process SALES from the BUSINESS as defined in the AGREEMENT.
- 8.2 If actual monthly SALES volume substantially exceeds the projected annual SALES volume as provided in the Merchant Application and pro-rated to one month, BANK may, at its option, do one or more of the following: (i) refuse to process SALES in excess of such sum; (ii) process such SALES and retain the proceeds of such SALES until the next month and release such sums to MERCHANT at that time counting this volume as SALES volume for that month; (iii) terminate this AGREEMENT; and/or (iv) amend this AGREEMENT in a way as to ensure that BANK has security for the increased volume. Such rights of termination and retention of funds are in addition to those already provided for herein.
- 8.3 In the event of failure, including bankruptcy, insolvency, or other suspension of business operations by MERCHANT, MERCHANT shall not sell, transfer, or disclose any materials that contain cardholder account numbers, personal information, or other ASSOCIATION transaction information to third parties. Upon request from BANK, MERCHANT shall either (i) provide this information or (ii) provide acceptable proof of destruction of this information.

9. USE OF THE INTERNET, SYSTEM INTEGRATORS, AND/OR THIRD PARTY SERVICE PROVIDERS:

- 9.1 If MERCHANT accepts SALES through its web site or through a system integrator, MERCHANT shall at all times maintain and be responsible for the security of the transmission of data relating to the processing of SALES associated with this AGREEMENT. MERCHANT shall be responsible for obtaining and maintaining web site security, for the encryption of all data, and for any and all storage of data. MERCHANT shall display on its web site its: (i) consumer data privacy policy and (ii) security method for transmission of payment data. An e-commerce MERCHANT must display the address of its "permanent establishment" on its web site along with MERCHANT's country of domicile, either: a) on the same screen view as the checkout screen used to present the total purchase amount; or b) within the sequence of web pages the cardholder accesses during the checkout process.
- 9.2 MERCHANT shall be responsible for obtaining and contracting with any third party service provider(s), payment engine(s), payment gateway(s), and any other Internet service provider(s) and/or system integrator(s). MERCHANT shall ensure that said third parties appropriately format and transmit SALES to BANK in accordance with the then current RULES and requirements of BANK and ASSOCIATIONS. If MERCHANT is using a third party's terminal or software application, (i.e. dial terminal or equivalent sales capture solution), and the third party is providing the customer service, then such third party is a separate entity and is not an agent of BANK. MERCHANT understands the AGREEMENT is between BANK and MERCHANT. Disputes involving a third party shall be dealt with independently from BANK. If disputes are unresolved and relate to SERVICES provided under the AGREEMENT, MERCHANT shall notify BANK at the address set out in the AGREEMENT. MERCHANT must pay BANK regardless of any disputes it has with any third party. If MERCHANT elects to use the terminal or software of third party providers to capture and transmit SALES to BANK, MERCHANT must disclose the relationship to BANK and

MERCHANT assumes full responsibility and liability for such third party provider's failure to comply with the RULES. The third party provider may be the source for information regarding SALES, authorizations and CHARGEBACKS that may be needed by BANK. Certain CHARGEBACKS require authorization information to reverse. MERCHANT is responsible for obtaining this information from such third party provider. BANK is not liable for SALES that it did not receive. MERCHANT understands that in the event MERCHANT rents BANK terminals, the communications vendor is not responsible for losses arising from the SALES processed using the vendor's service.

- 9.3 MERCHANT agrees that BANK is not responsible for any services or equipment provided by any third party with which MERCHANT has contracted. MERCHANT agrees that BANK is not responsible for and is not able to provide customer service for the point of sale ("POS") devices installed by and/or operated by any third party with which MERCHANT has contracted. MERCHANT should contact the third party for service of this equipment. MERCHANT shall not allow any third party to install, remove, or modify any terminal software application of BANK without the express written consent of BANK. MERCHANT agrees BANK can only process SALES received by BANK, and any third party is responsible for ensuring SALES are formatted and transmitted to BANK in accordance with the then current requirements of BANK and ASSOCIATIONS. BANK may increase FEES if a third party presents SALES transactions not in accordance with the then current ASSOCIATIONS' requirements. MERCHANT assumes full responsibility and liability for DISCOUNT rate tier downgrades caused by any third party. MERCHANT assumes full responsibility and liability for third party providers' failure to comply with the RULES. MERCHANT is responsible for obtaining from the third party provider any information needed by BANK.
- 9.4 MERCHANT shall assume full liability and shall indemnify and hold BANK and ASSOCIATIONS harmless for: (i) the actions and/or inactions of any third party with which MERCHANT has contracted or (ii) the failure of any third party with which MERCHANT has contracted to comply with the LAWS or RULES.

10. LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES:

- 10.1 MERCHANT's rights and remedies hereunder are exclusive and in lieu of all other rights and remedies. BANK shall not otherwise be liable for any error, omission, delay, computer virus, loss of data or records or disclosure of confidential information which may occur as a result of, or in any way be connected with, the rendering of SERVICES hereunder. BANK shall not be liable for any services or products of third parties. In any event, BANK's liability to MERCHANT, whether arising in contract, tort (including, without limitation, negligence and strict liability) or otherwise, shall not exceed the lesser of the direct loss to MERCHANT or an amount equal to the processing portion of the DISCOUNT paid to BANK by MERCHANT in the month prior to the incident giving rise to liability. In no event shall BANK, the ASSOCIATIONS, or the ASSOCIATIONS' contractors be liable for losses, damages, or liabilities whether in contract, tort (including negligence), strict liability or under any other theory incurred by MERCHANT, MERCHANT's customers, or any other person or entity arising under this AGREEMENT. IN NO EVENT SHALL BANK, THE ASSOCIATIONS, OR THE ASSOCIATIONS' CONTRACTORS BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR EXEMPLARY DAMAGES OR FOR ANY INTERRUPTION OR LOSS OF USE, DATA, VIRUSES, BUSINESS OR PROFITS, WHETHER OR NOT SUCH LOSSES OR DAMAGES WERE FORESEEABLE OR BANK WAS ADVISED OF THE POSSIBILITY THEREOF AND REGARDLESS OF WHETHER ANY LIMITED REMEDY HEREIN FAILS OF ITS ESSENTIAL PURPOSE.
- 10.2 THE SERVICES ARE PROVIDED "AS IS," "AS AVAILABLE," AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARE DISCLAIMED BY BANK, THE ASSOCIATIONS, AND THE ASSOCIATIONS' CONTRACTORS, INCLUDING BUT NOT LIMITED TO, THE DISCLAIMER OF ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE. BANK ASSUMES NO LIABILITY OR RESPONSIBILITY FOR ANY ERRORS OR OMISSIONS IN THE CONTENT. THIS AGREEMENT IS A SERVICE AGREEMENT AND THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE SHALL NOT APPLY.

11. WARRANTIES AND INDEMNITIES:

- 11.1 MERCHANT understands that BANK merely provides processing services for SALES or SERVICES and is neither a partner in MERCHANT's business operations nor a guarantor of the receipt by MERCHANT of the proceeds of SALES or SERVICES. Furthermore, BANK does not guarantee that SALES or SERVICES will not be subject to CHARGEBACKS.
- 11.2 MERCHANT warrants there is no action, suit or proceeding pending or to MERCHANT's knowledge threatened, which, if decided adversely, would impair MERCHANT's ability to carry on MERCHANT's business substantially as now conducted or which would adversely affect MERCHANT's financial condition or operations. MERCHANT warrants that it, or its principals or sales agents have not been terminated from depositing SALES with any other member of the ASSOCIATIONS, have never been placed on the MasterCard MATCH system, or on the Combined Terminated Merchant File except as disclosed in writing to BANK.
- 11.3 MERCHANT warrants that at the time of depositing SALES for processing: (i) it has the right to assign such SALES to BANK and does by this reference assign all its rights, title, and interest to payment for such SALES to BANK so that BANK may process SALES under the AGREEMENT; (ii) it has no knowledge of any fact that would impair the collectability of the SALES; and (iii) that the SALES represent a valid obligation of the cardholder: (a) in the amount indicated; (b) for merchandise sold and delivered or services rendered to the cardholder by the MERCHANT; and (c) it does not involve any element of credit for any other purpose.
- 11.4 MERCHANT agrees to indemnify and hold harmless BANK, SPONSORS, and ASSOCIATIONS, including the ASSOCIATIONS' contractors, from and against any claims, demands, or judgments, made or recovered against it, arising out of any misrepresentation or breach by MERCHANT of the terms of this AGREEMENT or arising from any act or omission by MERCHANT which violates any LAWS, the RULES, or the rights of another person or otherwise injures any third party. BANK, SPONSORS, or the ASSOCIATIONS may defend on its own any such claims or demands or request MERCHANT to take up such defense. In either event MERCHANT will further indemnify BANK, SPONSORS, and the ASSOCIATIONS for reasonable attorney fees or any other necessary expenses incurred by BANK by reason of such defense.
- 11.5 MERCHANT shall be solely responsible for losses and CHARGEBACKS incurred as a result of, or arising out of, any fraud including LAUNDERING, negligence, or willful misconduct on the part of MERCHANT, or MERCHANT's employee(s) or agent(s).

11.6 MERCHANT is responsible for any electronic virus or viruses that may be encountered and is responsible for routinely scanning its computers and diskettes using a reliable virus product to detect and remove any viruses found.

12. NOTICES:

12.1 All notices required under this AGREEMENT from MERCHANT shall be written paper notices effective, unless otherwise stated in AGREEMENT, upon the earlier of actual receipt thereof or the third (3rd) business day following such notices being deposited postage prepaid in the United States Postal System.

12.2 All written paper notices shall be sent to the following addresses, which may be changed by any PARTY by designating an alternate address, effective upon fourteen (14) days notice of such change:

If to BANK:

TSYS Merchant Solutions, LLC
Attention: Merchant Legal Department
1601 Dodge Street, 23E
Omaha, NE 68102-1637

If to MERCHANT:

At the address set out in the Merchant Application or such alternative address as designated in writing by MERCHANT.

If to ISO:

At the address set out in the Merchant Application or such alternative address as designated in writing by ISO.

12.3 MERCHANT consents to receiving electronically rather than in paper form all notices, disclosures and other documents ("DOCUMENTS") which are to be provided to MERCHANT under this AGREEMENT. MERCHANT will be notified that a DOCUMENT is available at BANK's web site with a link to that specific page of the web site containing the DOCUMENT. MERCHANT agrees that such notification will be sent to MERCHANT at the e-mail address provided as part of the Merchant Application. Any DOCUMENT sent to MERCHANT electronically will be maintained on the website for not less than six (6) months from the date of its posting on the web site. MERCHANT understands and acknowledges that access to the Internet, e-mail and the worldwide web are required for MERCHANT to access a DOCUMENT electronically and MERCHANT confirms that MERCHANT has such access. MERCHANT understands that there are costs related to access DOCUMENTS electronically and MERCHANT agrees that MERCHANT is responsible for these related access costs. Without advance notice to MERCHANT and at any time, electronic DOCUMENTS may no longer be sent to MERCHANT, in which case a paper copy of the DOCUMENT will be sent to MERCHANT pursuant to Sections 12.1 and 12.2.

13. MISCELLANEOUS:

13.1 Assignment. Except as expressly provided in this AGREEMENT, MERCHANT may not assign its rights or delegate its responsibilities under this AGREEMENT without the prior written consent of BANK. BANK may assign its rights or delegate duties under this AGREEMENT without the prior consent of MERCHANT. Without limiting the generality of the foregoing, MERCHANT shall not assign, transfer or encumber its present or future payment rights under this AGREEMENT or connected with a RESERVE ACCOUNT, if any; nor shall BANK be obligated to honor such purported attempt to assign, transfer or encumber such rights or funds unless BANK consents in writing.

13.2 Governing Law and Forum. The PARTIES acknowledge and agree that this AGREEMENT and the Guaranty contained herein was, and shall be deemed to have been, made and delivered in Douglas County, Nebraska. The laws of the State of Nebraska, without giving effect to its conflicts of law principles, shall govern all matters (whether in contract, statute, tort or however characterized) arising out of or relating to this AGREEMENT and any Guaranty contained herein, including, without limitation, the validity, interpretation, construction, performance and enforcement of the AGREEMENT and Guaranty. The PARTIES agree that, in the event of any dispute regarding, arising out of or relating to this AGREEMENT or any Guaranty contained herein, the courts of the State of Nebraska shall have and be vested with personal jurisdiction over the PARTIES. The PARTIES further agree that any and all actions, claims, suits or proceedings arising out of or relating (directly or indirectly) to this AGREEMENT or any Guaranty contained herein shall be filed and litigated only in courts located in Douglas County, Nebraska, and such courts shall have exclusive jurisdiction over any action, claims, suit or proceeding arising out of or relating (directly or indirectly) to this AGREEMENT or any Guaranty contained herein.

13.3 Waiver of Jury Trial and Covenant Not to Participate in a Class Action. MERCHANT HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT OR ANY ACTION, LAWSUIT, CLAIM, COUNTERCLAIM OR OTHER ACTION RELATING TO, OR ARISING UNDER THIS AGREEMENT AND/OR ANY TRANSACTION GOVERNED BY THIS AGREEMENT. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY, VOLUNTARILY AND INTENTIONALLY BY MERCHANT, AND IS INTENDED TO ENCOMPASS EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE BE AVAILABLE. BANK IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY MERCHANT. MERCHANT ALSO COVENANTS NOT TO BRING OR PARTICIPATE IN ANY CLASS ACTION AGAINST BANK BASED UPON ANY CLAIMS ARISING FROM THIS AGREEMENT. IF A CLASS PROCEEDING IS INITIATED AGAINST BANK, MERCHANT MAY NOT JOIN THAT PROCEEDING OR PARTICIPATE AS A MEMBER OF THAT CLASS. If MERCHANT brings legal action against BANK for any reason, MERCHANT shall commence the action within one (1) year of the date the error or the incident giving rise to such action occurred.

13.4 Waiver. No delay or failure by either PARTY to exercise any right under AGREEMENT and no partial or single exercise of that right shall constitute a waiver of that right or any other right, unless expressly provided for in AGREEMENT.

13.5 Force Majeure. BANK is not liable or responsible for any failure or delay in performance caused by any Act of God, strikes, flood, fire, war, public enemy, electrical or equipment failure, failures by third parties, or other events beyond its control.

13.6 Entire Agreement. This AGREEMENT constitutes the entire understandings of the PARTIES as to the subject matter contained herein and supersedes all prior contracts, agreements, and negotiations between the PARTIES whether verbal or written.

13.7 Costs. Neither PARTY shall be responsible for the costs incurred by the other in negotiating or implementing this AGREEMENT.

13.8 Survival. The obligations of all PARTIES incurred prior to the effective date of termination of this AGREEMENT will survive the termination of this AGREEMENT. If any portion of the AGREEMENT is held invalid or unenforceable for any reason, it is agreed

that any invalidity or unenforceability will not affect the remainder of the same and the remaining provisions will remain in full force and effect. The PARTIES agree that the Court of competent jurisdiction may modify any objectionable provision of the AGREEMENT so as to render it valid, reasonable and enforceable.

- 13.9 Amendment. This AGREEMENT may be amended or modified by BANK effective upon thirty (30) days written notice. Any alteration or strikeover in the text of this pre-printed AGREEMENT will have no binding effect and will not be deemed to amend this AGREEMENT.
- 13.10 Authority. By signing the AGREEMENT, each PARTY represents that it has the full legal power and authority to enter into performance obligations under this AGREEMENT. Each PARTY represents that the entering into of this AGREEMENT has been duly authorized; the signer is a duly authorized signatory; this AGREEMENT constitutes a legal, valid, and binding obligation of each PARTY; and that this AGREEMENT is enforceable against each PARTY in accordance with its terms.
- 13.11 P-Card. To the extent applicable, BANK agrees not to use any information supplied by MERCHANT in the Purchasing Card Information that is required for acceptance of purchasing cards, in its decision as to whether to accept MERCHANT for processing. MERCHANT agrees to hold BANK harmless from any and all claims relating to the collection, processing, dissemination, and use or misuse of the information contained in the Purchasing Card Information. MERCHANT acknowledges that the information from the Purchasing Card Information will be sent to MERCHANT's corporate customers who pay with a purchasing card. MERCHANT agrees that BANK is not responsible for any actions or omissions of others regarding this information.
- 13.12 Taxes. MERCHANT agrees to pay all federal, state, and local sales, use, property and excise taxes, including penalties and interest, which may be assessed in connection with the services and related products provided under this AGREEMENT.
- 13.13 Disclosure of Merchant Identification Number ("MID"). For security reasons, MERCHANT must disclose its MID thereby authorizing BANK to make changes to its account. BANK may request from MERCHANT additional information to further verify MERCHANT's identity. BANK may assume that the person disclosing the MID has the authority to make changes to MERCHANT's account. MERCHANT authorizes BANK to share information regarding the MERCHANT's account with the person disclosing the MID. MERCHANT is responsible and liable for changes made after disclosure of its MID. MERCHANT is responsible for insuring its MID is kept confidential.
- 13.14 Information. MERCHANT authorizes BANK to release and use MERCHANT's information, in connection with offering or providing business products and services, to third parties that provide services to BANK or MERCHANT or to any third party that requests and has a reason to know such information, including but not limited to the ASSOCIATIONS, and any third-party having regulatory control over the PARTIES.
- 13.15 Counterparts/Facsimile. This AGREEMENT may be executed and delivered in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. Any photocopy, facsimile, electronic or other copies shall have the same effect for all purposes as an ink-signed original. MERCHANT hereby authorizes BANK and its affiliates to send facsimiles to the MERCHANT's facsimile number set forth in this AGREEMENT.
- 13.16 Monitoring. MERCHANT understands and agrees that any telephone conversation between MERCHANT and BANK may be monitored and recorded.
- 13.17 Binding Agreement. This AGREEMENT shall not become a binding AGREEMENT between the PARTIES until (i) it is signed or approved by an authorized Agent of BANK; and (ii) BANK has received a negative response to its inquiry of the ASSOCIATIONS' programs designed to monitor merchants.
- 13.18 Products and Services. BANK may from time to time add products and/or services to the SERVICES. At MERCHANT's request, BANK may provide such additional products and/or services to MERCHANT at BANK's then current rate. MERCHANT agrees to abide by all parameters set by BANK for such products and/or services as set out in any product specification or documentation as amended from time to time. MERCHANT is responsible for any coding and testing, if necessary, for such products and/or services. BANK has made reasonable efforts to secure information and abides by the ASSOCIATIONS' security guidelines but BANK does not guarantee security. MERCHANT is responsible for protecting access to any passwords or user identification numbers. Access to and use of password protected areas of any products and/or services are restricted to authorized users only. It is the MERCHANT's obligation to notify BANK immediately if its passwords or user identification numbers have been lost or stolen or if there has been unauthorized access. BANK shall at all times retain all title to and ownership of the products and SERVICES. MERCHANT agrees not to, directly or indirectly, modify, reverse engineer, decompile, disassemble or derive source code from the products and SERVICES. Any PARTY may terminate a product and/or service at any time upon thirty (30) days written notice to the other without terminating the AGREEMENT.
- 13.19 Communication. MERCHANT authorizes BANK and its affiliates to communicate with, solicit and/or market to MERCHANT via regular mail, telephone, e-mail and facsimile in connection with the provision of goods or services by BANK, its affiliates, or any third party that BANK shares, transfers, exchanges, discloses or provides information with or to pursuant this AGREEMENT and will hold BANK, its affiliates and such third parties harmless against any and all claims pursuant to the federal CAN-SPAM ACT of 2003, the Telephone Consumer Protection Act and any and all other state or federal laws relating to transmissions or solicitations by any of the methods described above.
- 13.19 Disclosure. The ASSOCIATIONS require that the following be disclosed to MERCHANT: (i) if applicable, BANK is in control of Independent Sales Organization's ("ISO") and/or Member Service Provider's ("MSP") performance under this AGREEMENT; (ii) BANK must pre-approve all FEES; (iii) the AGREEMENT may not be amended without BANK's express written consent; (iv) if applicable, ISO and/or MSP may not have access to MERCHANT's funds; and (v) BANK may not waive the foregoing requirements.

FUNDS TRANSFER INSTRUCTIONS

MERCHANT desires to effect settlement of credits and debits from MERCHANT's DESIGNATED ACCOUNT by means of ACH and/or wire transfer in conjunction with the processing of SALES transactions or SERVICES as anticipated by AGREEMENT. In accordance with this desire, MERCHANT authorizes BANK to initiate debit and credit entries to the DESIGNATED ACCOUNT (the details of which are set out herein and in the Merchant Application). MERCHANT agrees to maintain sufficient funds in DESIGNATED ACCOUNT to

cover debit transactions. By signing this AGREEMENT, MERCHANT states that it has authority to agree to such transactions and that the DESIGNATED ACCOUNT indicated is a valid and legitimate account for the handling of these transactions. This authority is to remain in effect until BANK receives written notice from MERCHANT revoking it. This authorization is for the payment of SALES, returns and FEES, CHARGEBACKS, or any other sums owed between the PARTIES. MERCHANT also certifies that the appropriate authorizations are in place to allow MERCHANT to authorize this method of settlement. All changes to the identification of the DESIGNATED ACCOUNT under this authorization must be made in writing in accordance with the AGREEMENT. MERCHANT understands that if the information supplied as to the ABA Routing Number and Account Number of the DESIGNATED ACCOUNT is incorrect, and funds are incorrectly deposited, BANK will attempt to assist MERCHANT in the recovery of such funds but has no liability as to restitution of the same. BANK's assistance in recovering the funds, where available, will be billed to MERCHANT at BANK's current hourly rate for such work. MERCHANT acknowledges that the origination of ACH transactions to the DESIGNATED ACCOUNT must comply with the provisions of U.S. law.

TMS DISCOVER AGREEMENT

Important Note: BANK is not a party to the following agreement. MERCHANT acknowledges and agrees that BANK and its affiliates are in no way responsible for the actions, inactions, performance or nonperformance of TMS, ISO, or DISCOVER, or for disputes or resolving disputes of any kind arising from this agreement.

THIS Agreement ("TMS DISCOVER AGREEMENT"), by and between TSYS MERCHANT SOLUTIONS, LLC ("TMS"), ISO, and MERCHANT, shall become effective on the date executed or approved by a duly authorized representative of TMS. TMS, ISO, and MERCHANT shall be collectively known hereafter as the "PARTIES."

WHEREAS, First National Bank of Omaha, ISO, and MERCHANT are PARTIES to a Merchant Transaction Processing Agreement (together with its addenda, attachments, and schedules shall be hereinafter known as the "AGREEMENT"); and

WHEREAS, TMS has a relationship with the Discover Network ("DISCOVER"); and

WHEREAS, the PARTIES desire to enter into this TMS DISCOVER AGREEMENT under which TMS and ISO will provide payment processing services as to DISCOVER transactions.

NOW THEREFORE, in consideration of the mutual promises made herein, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the PARTIES do hereby agree as follows:

1. Terms set forth herein, which are typed in all capitalized letters and not defined herein, shall have the same meaning as set out in the AGREEMENT.
2. The terms of the AGREEMENT, including the Merchant Application, are hereby incorporated by reference into this TMS DISCOVER AGREEMENT. References to BANK under the AGREEMENT shall be replaced with references to TMS. References to VISA, Inc. ("VISA") and MasterCard International, Inc. ("MASTERCARD") under the AGREEMENT shall be replaced with reference to DISCOVER. DISCOVER shall replace references to VISA and MASTERCARD under the definition of "ASSOCIATIONS" under the AGREEMENT. Financial service cards issued by DISCOVER shall replace references to financial services cards issued by VISA and MASTERCARD under the definition of "CARDS" under the AGREEMENT. Sales transactions using DISCOVER CARDS shall replace references to Sales transactions using VISA and MASTERCARD cards under the definition of "SALES" under the AGREEMENT. The rules and regulations of DISCOVER, which may be accessed at www.tsystransactionssummary.com, shall replace references to the rules and regulations of VISA and MASTERCARD under the definition of "RULES" under the AGREEMENT. MERCHANT agrees to comply with and assure that Merchant Providers comply with the Discover Information Security and Compliance ("DISC") (found at <http://www.discovernetwork.com/fraudsecurity/disc.html>).
3. MERCHANT agrees to pay TMS and ISO the FEES related to DISCOVER as set out on the Merchant Application.
4. This TMS DISCOVER AGREEMENT, together with any amendments, attachments, exhibits, schedules, and the terms of the AGREEMENT as modified and incorporated herein, constitutes the entire agreement between the PARTIES as to transaction processing for DISCOVER, and any other representations, inducements, promises, or agreements not contained herein shall be of no force and effect as to transaction processing.
5. Except as stated, ISO, TMS, and MERCHANT reaffirm the obligations of each as they are contained in the terms of the AGREEMENT as incorporated hereunder.

TMS AMERICAN EXPRESS AGREEMENT

Important Note: BANK is not a party to the following agreement. MERCHANT acknowledges and agrees that BANK and its affiliates are in no way responsible for the actions, inactions, performance or nonperformance of TMS, ISO, or AMERICAN EXPRESS, or for disputes or resolving disputes of any kind arising from this agreement.

THIS Agreement ("TMS AMERICAN EXPRESS AGREEMENT"), by and between TSYS MERCHANT SOLUTIONS, LLC ("TMS"), ISO, and MERCHANT, shall become effective on the date executed or approved by a duly authorized representative of TMS. TMS, ISO, and MERCHANT shall be collectively known hereafter as the "PARTIES."

WHEREAS, First National Bank of Omaha, ISO, and MERCHANT are PARTIES to a Merchant Transaction Processing Agreement (together with its addenda, attachments, and schedules shall be hereinafter known as the "AGREEMENT"); and

WHEREAS, TMS has a relationship with the American Express Travel Related Services Company, Inc. ("AMERICAN EXPRESS");

WHEREAS, the PARTIES desire to enter into this TMS AMERICAN EXPRESS AGREEMENT under which TMS and ISO will provide payment processing services as to AMERICAN EXPRESS transactions.

NOW THEREFORE, in consideration of the mutual promises made herein, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the PARTIES do hereby agree as follows:

1. Terms set forth herein, which are typed in all capitalized letters and not defined herein, shall have the same meaning as set out in the AGREEMENT.
2. MERCHANT agrees to pay TMS and ISO the FEES related to AMERICAN EXPRESS as set out on the Merchant Application.
3. MERCHANT agrees to comply with and assure that Merchant Providers comply with the American Express Data Security Operating Policy ("DSOP") (found at https://www209.americanexpress.com/merchant/singlevoice/pdfs/en_US/DSOP_Merchant_US.pdf).
4. If MERCHANT participates under AMERICAN EXPRESS' ESA Program, the following applies: MERCHANT agrees that TMS is not a party to any agreement for services from AMERICAN EXPRESS, and that any such agreements are strictly between MERCHANT and AMERICAN EXPRESS. MERCHANT must be approved by AMERICAN EXPRESS and AMERICAN EXPRESS may send its agreement to the address of MERCHANT indicated herein upon such approval. MERCHANT agrees to be bound by such agreement.
5. If MERCHANT participates under AMERICAN EXPRESS' ONEPOINT Program, MERCHANT agrees to the American Express Card Acceptance Agreement as set forth below.
6. This TMS AMERICAN EXPRESS AGREEMENT, together with any amendments, attachments, exhibits, schedules, and the terms of the AGREEMENT as modified and incorporated herein, constitutes the entire agreement between the PARTIES as to transaction processing for AMERICAN EXPRESS, and any other representations, inducements, promises, or agreements not contained herein shall be of no force and effect as to transaction processing.
7. Except as stated, ISO, TMS, and MERCHANT reaffirm the obligations of each as they are contained in the terms of the AGREEMENT as incorporated hereunder.

American Express Card Acceptance Agreement

Agreement for American Express[®] Card Acceptance and American Express OnePoint[®] Program

The Agreement is by and between American Express Travel Related Services Company, Inc., a New York corporation, and you, the Merchant. By accepting the American Express[®] Card, you agree to be bound by the Agreement.

General Provisions

1. SCOPE AND OTHER PARTS OF AGREEMENT; DEFINITIONS

- a. **Scope of the Agreement.** The Agreement governs your acceptance of American Express Cards in the United States (but not Puerto Rico, the U.S. Virgin Islands, and other U.S. territories and possessions) under our American Express OnePoint Program, which makes available to eligible merchants an integrated service through our agent TSYS Merchant Solutions, LLC and its agents, assigns or affiliates (collectively referred to as "TMS"), among other agents. Schedule A contains important provisions governing your acceptance of the Card under this program. The Agreement covers you *alone*. You must not obtain Authorizations, submit Charges or Credits, or receive payments on behalf of any other party, except as otherwise expressly permitted in the Merchant Regulations.
- b. **Other Parts of the Agreement.**
 - i. **Merchant Regulations.** The Merchant Regulations set forth the policies and procedures governing your acceptance of the Card. You shall ensure that your personnel interacting with customers are fully familiar with the Merchant Regulations. The Merchant Regulations are a part of, and are hereby incorporated by reference into, the Agreement. You agree to be bound by and accept all provisions in the Merchant Regulations (as changed from time to time) as if fully set out herein and as a condition of your agreement to accept the Card. We have the right to make changes to the Merchant Regulations in scheduled changes and at any time in unscheduled changes as set forth in section 8.j below. The Merchant Regulations and releases of scheduled changes therein are provided only in electronic form, existing at the website specified below in the definition of "Merchant Regulations" or its successor website. However, we shall provide you a paper copy of or a CD-ROM containing the Merchant Regulations or releases of scheduled changes therein upon your request. To order a copy, please call our agent TMS (telephone: 1.800.228.2443). We may charge you a fee for each copy that you request.
 - ii. **Schedule A.** Schedule A, attached hereto or which we otherwise may provide to you, contains other important provisions governing your acceptance of the Card. Schedule A is a part of, and is hereby incorporated by reference into, the Agreement.
- c. **Definitions.** Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Merchant Regulations. Some definitions are repeated here for ease of reference.
 - *Affiliate* means any Entity that controls, is controlled by, or is under common control with either party, including its subsidiaries. As used in this definition, control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an Entity, whether through ownership of voting securities, by contract, or otherwise. For the avoidance of doubt, but not by way of limitation, the direct or indirect ownership of more than 50% of (i) the voting securities or (ii) an interest in the assets, profits, or earnings of an Entity shall be deemed to constitute "control" of the Entity.
 - *Agreement* means the General Provisions, the Merchant Regulations, and any accompanying schedules and exhibits, collectively.
 - *American Express Card or Cards* mean (i) any card, account access device, or payment device or service bearing our or our Affiliates' Marks and issued by an Issuer or (ii) a Card Number.
 - *Cardmember* means an individual or Entity (i) that has entered into an agreement establishing a Card account with an Issuer or (ii) whose name appears on the Card.
 - *Charge* means a payment or purchase made on the Card. *Card Present Charge* means a Charge for which the Card is presented at the point of sale. *Card Not Present Charge* means a Charge for which the Card is not presented at the point of sale (e.g., Charges by mail, telephone, fax or the Internet), is used at unattended Establishments (e.g., customer activated terminals, called CATs), or for which the transaction is key-entered. *Disputed Charge* means a Charge about which a claim, complaint, or question has been brought.
 - *Chargeback* (sometimes called "full recourse" or "Full Recourse" in our materials), when used as a verb, means (i) our reimbursement from you for the amount of a Charge subject to such right or (ii) our reversal of a Charge for which we have not paid you; when used as a noun, means the amount of a Charge subject to reimbursement from you or reversal.

- *Claim* means any claim (including initial claims, counterclaims, cross-claims, and third party claims), dispute, or controversy between you and us arising from or relating to the Agreement or prior Card acceptance agreements, or the relationship resulting therefrom, whether based in contract, tort (including negligence, strict liability, fraud, or otherwise), statutes, regulations, or any other theory, including any question relating to the existence, validity, performance, construction, interpretation, enforcement, or termination of the Agreement or prior Card acceptance agreements or the relationship resulting therefrom, except for the validity, enforceability, or scope of Section 7.d of the General Provisions.
 - *Credit* means the amount of the Charge that you refund to Cardmembers for purchases or payments made on the Card.
 - *Discount* means the amount that we charge you for accepting the Card, which amount is: (i) a percentage (*Discount Rate*) of the face amount of the Charge that you submit; or a flat per-Transaction fee, or a combination of both; and/or (ii) a Monthly Flat Fee (if you meet our requirements).
 - *Entity* means a corporation, partnership, sole proprietorship, trust, association, or any other legally recognized entity or organization.
 - *Establishments* means any or all of your and your Affiliates' locations, outlets, websites, online networks, and all other methods for selling goods and services, including methods that you adopt in the future.
 - *General Provisions* means the provisions set out in the Agreement other than the provisions in the Merchant Regulations or any accompanying schedule or exhibit hereto.
 - *Marks* mean names, logos, service marks, trademarks, trade names, taglines, or other proprietary designs or designations.
 - *Merchant Number* (sometimes called the "Merchant ID" or "Establishment" or "SE" number in our materials) means a unique number we assign to your Establishment.
 - *Merchant Regulations* means the American Express Merchant Regulations – U.S., which are available at www.americanexpress.com/merchantpolicy and can be accessed by entering your Merchant Number.
 - *Other Agreement* means any agreement, other than the Agreement, between (i) you or any of your Affiliates and (ii) us or any of our Affiliates.
 - *Other Payment Products* mean any charge, credit, debit, stored value, prepaid or smart cards, account access devices, or other payment cards, services, or products other than the Card.
 - *Reserve* means a fund established and/or collateral held by us as security for your or any of your Affiliates' obligations to us or any of our Affiliates under the Agreement or any Other Agreement.
 - *United States* or *U.S.* means the fifty United States of America and the District of Columbia.
 - *We, our, and us* mean American Express Travel Related Services Company, Inc.
 - *You and your* (sometimes called the "Merchant", "Service Establishment," or "SE" in our materials) mean the individual or Entity accepting the Card under the Agreement, and (as applicable) its Affiliates conducting business in the same industry.
- d. **List of Affiliates.** You must provide to our agent a complete list of your Affiliates in the region specified in Section 1.a of the General Provisions that conducting business in your industry and notify our agent promptly of any subsequent changes in the list.

2. ACCEPTING THE CARD

- a. **Acceptance.** You must accept the Card as payment for all goods and services sold at all of your Establishments, except as otherwise expressly specified in the Merchant Regulations. You agree that the provisions of Chapter 3 (Card Acceptance) of the Merchant Regulations are reasonable and necessary to protect the Cardmember's choice of which Card to use. You are jointly and severally liable for the obligations of your Establishments under the Agreement.
- b. **Transaction Processing and Payments.** Our Card acceptance, processing, and payment requirements are set forth in the Merchant Regulations. Some requirements are summarized here for ease of reference, but do not supersede the provisions in the Merchant Regulations.
- i. **Format.** You must create a Charge Record for every Charge and a Credit Record for every Credit, that must comply with our Technical Specifications, as described in the Merchant Regulations or otherwise provided by our agent. If the Cardmember wants to use different Cards for payment of a purchase, you may create a separate Charge Record for each Card used. However, if the Cardmember wants to use a single Card for payment of a purchase, you shall not divide the purchase into more than one Charge nor shall you create more than one Charge Record unless the purchase qualifies for a Delayed Delivery Charge.
- ii. **Authorization.** For every Charge, you must obtain from and submit to us an Authorization Approval code for all Charges. Authorization Approval does not guarantee that (i) the person making the Charge is the Cardmember, (ii) the Charge is in fact valid or bona fide, (iii) that you will be paid for the Charge, or (iv) you will not be subject to Chargeback.
- iii. **Submitting Charges and Credits.** Your Establishments must submit Charges and Credits only in U.S. dollars. You must not issue a Credit when there is no corresponding Charge. You must issue Credits to the Card used to make the original purchase, except as otherwise expressly specified in the Merchant Regulations.
- iv. **Payment for Charges.** We will pay you, through our agent, according to your payment plan in U.S. dollars for the face amount of Charges submitted from your Establishments less all applicable deductions, rejections, and withholdings, which include: (i) the Discount, (ii) any amounts you owe us or our Affiliates, (iii) any amounts for which we have Chargebacks and (iv) any Credits you submit. Your initial Discount is indicated in the Agreement or otherwise provided to you in writing by us. In addition to your Discount we may charge you additional fees and assessments, as listed in the Merchant Regulations or as otherwise provided to you in writing by us. We may adjust any of these amounts and may change any other amount we charge you for accepting the Card.
- v. **Chargeback.** We and our agent have Chargeback rights, as described in the Merchant Regulations. We and our agent may Chargeback by (i) deducting, withholding, recouping from, or offsetting against our payments to you (or debiting your Bank Account), or we or our agent may notify you of your obligation to pay us, which you must do promptly and fully; or (ii) reversing a Charge for which we have not paid you. Our or our agent's failure to demand payment does not waive our Chargeback rights.
- vi. **Protecting Cardmember Information.** You must protect Cardmember Information, as described in the Merchant Regulations. You have additional obligations based on your Transaction volume, including providing to us documentation validating your compliance with the PCI DSS.

3. PROTECTIVE ACTIONS

- a. **Creating a Reserve.** Regardless of any contrary provision in the Agreement, we have the right in our sole discretion to determine that it is necessary to establish a Reserve. If we believe that we need to create a Reserve, we may immediately

establish a Reserve or terminate the Agreement. We shall inform you if we establish a Reserve or terminate the Agreement. We may establish a Reserve by (i) withholding amounts from payment we otherwise would make to you under the Agreement or (ii) requiring you to deposit funds or other collateral with us. Any collateral provided pursuant to this Section 3 of the General Provisions is subject to our prior written approval. We may increase the amount of the Reserve at any time so long as the amount of the Reserve does not exceed an amount sufficient, in our reasonable judgment, to satisfy any financial exposure or risk to us under the Agreement (including Charges submitted by you for goods or services not yet received by Cardmembers and our costs of handling Disputed Charges) or to us or our Affiliates under any Other Agreement, or to Cardmembers. Upon the occurrence of an event described in Section 3.b.viii of the General Provisions, and during any continuation of such event, we may take immediate action to establish or increase the amount of any Reserve to an amount, in our reasonable judgment, proportional to the risk to us and our Affiliates arising from such event.

- b. **Trigger Events for Reserve.** Some of the events that may cause us to establish a Reserve include: (i) your ceasing a substantial portion of or adversely altering your operations; (ii) your selling all or substantially all of your assets or any party acquiring 25% or more of the equity interests issued by you (other than parties owning 25% or more of such interests as of the effective date of the Agreement), whether through acquisition of new equity interests, previously outstanding interests, or otherwise; (iii) your suffering a material adverse change in your business or a material adverse change occurs in your industry; (iv) your breach of Section 3.e of the General Provisions; (v) your becoming insolvent; (vi) our receiving a disproportionate number or amount of Disputed Charges at your Establishments; (vii) our reasonable belief that you will not be able to perform your obligations under the Agreement, any Other Agreement, or to Cardmembers; or (viii) the establishment of a reserve or other protective action taken by any Entity with whom you have entered into an arrangement for the acceptance or processing (or both) of Other Payment Products that (A) results in the withholding of funds that would otherwise have been payable to you, (B) requires you to make a direct payment into a reserve account or similar device, or (C) requires you to provide such Entity with a letter of credit or other third-party guaranty of payment.
- c. **Application of Reserve.** We may deduct and withhold from, and recoup and set-off against, the Reserve (i) any amounts you or any of your Affiliates owe us or any of our Affiliates under the Agreement or any Other Agreement; (ii) any costs incurred by us in connection with the administration of the Reserve, including attorneys' fees; and (iii) any costs incurred by us as a result of your failure to fulfill any obligations to us, any of our Affiliates, or to Cardmembers, including attorneys' fees and our cost of handling Disputed Charges.
- d. **Other Protections.** We may take other reasonable actions to protect our rights and the rights of any of our Affiliates, including changing the speed or method of payment for Charges, exercising Chargeback under any of our Chargeback programs, offsetting any amounts due to you under the Agreement against amounts that you owe us or our Affiliates under the Agreement or any Other Agreement, or charging you fees for Disputed Charges.
- e. **Providing Information.** You must provide to us promptly, upon request, information about your finances, creditworthiness, and operations, including your most recent certified financial statements.

4. NOTICES

- a. **Delivery and Receipt.** Unless otherwise explicitly provided for herein, all notices hereunder must be in writing and sent by hand delivery; or by U.S. postal service, such as first class mail or third class mail, postage prepaid; or by expedited mail courier service; or by electronic mail (*e-mail*); or by facsimile transmission, to the addresses set out below. Notices are deemed received and effective as follows: If hand-delivered, upon delivery; if sent by e-mail or facsimile transmission, upon sending; if mailed, upon the earlier of (i) receipt or (ii) three days after being deposited in the mail if mailed by first class postage or ten days after being deposited in the mail if mailed by third class postage. If the addressee provided for below rejects or otherwise refuses to accept the notice, or if the notice cannot be delivered because of a change in address for which no notice was appropriately given, then notice is effective upon the rejection, refusal or inability to deliver.
- b. **Our Notice Address.** Unless we notify you otherwise, you shall send notices to us, through our agent, at:
American Express Travel Related Services Company, Inc. c/o
TSYS Merchant Solutions, LLC
Attention: Legal Department
1601 Dodge Street, 23E
Omaha, NE 68102-1637
- c. **Your Notice Address.** Our agent shall send notice to you at the address, e-mail address, or facsimile number you indicated on your application to accept the Card. You must notify our agent immediately of any change in your notice address.

5. INDEMNIFICATION AND LIMITATION OF LIABILITY

- a. **Indemnity.** You shall indemnify, defend, and hold harmless us and our Affiliates, agents, successors, and assigns, from and against all damages, liabilities, losses, costs, and expenses, including legal fees, arising or alleged to have arisen from your breach, negligent or wrongful act or omission, failure to perform under the Agreement, or failure in the provision of your goods or services.
- b. **Limitation of Liability.** In no event shall we or our Affiliates, agents, successors, or assigns be liable to you for any incidental, indirect, speculative, consequential, special, punitive, or exemplary damages of any kind (whether based in contract, tort, including negligence, strict liability, fraud, or otherwise, or statutes, regulations, or any other theory) arising out of or in connection with the Agreement, even if advised of such potential damages. Neither you nor we (and our agent) will be responsible to the other for damages arising from delays or problems caused by telecommunications carriers or the banking system, except that our (and our agent's) rights to create Reserves and exercise Chargebacks will not be impaired by such events.

6. TERM AND TERMINATION

- a. **Effective Date/Termination Date.** The Agreement begins as of the date (i) you first accept the Card after receipt of the Agreement or otherwise indicate your intention to be bound by the Agreement or (ii) we approve your application to accept the

Card, whichever occurs first. Either party can terminate the Agreement without cause (and notwithstanding any other rights established under the Agreement) at any time by notifying the other party. Termination will take effect according to the notice period specified in section 4.a above.

- b. **Grounds for Termination.** In addition to our rights in sections 3.a and 6.a of the General Provisions, we may terminate the Agreement at any time without notice to you and without waiving our other rights and remedies if you have not submitted a Charge within any twelve month period. The Agreement is a contract to extend financial accommodations, and if bankruptcy or similar proceedings are filed with respect to your business, then the Agreement will terminate automatically.
- c. **Post-Termination.** If the Agreement terminates, without waiving our other rights and remedies, we and our agent may withhold from you any payments until we have fully recovered all amounts owing to us and our Affiliates. If any amounts remain unpaid, then you and your successors and permitted assigns remain liable for such amounts and shall pay us within thirty days of our request. You must also remove all displays of our Marks, return our materials and equipment immediately, and submit to our agent any Charges and Credits incurred prior to termination.
- d. **Effect of Termination.** Termination of the Agreement for any reason does not relieve the parties of their respective rights and duties arising prior to the effective date of termination that by their nature are intended to survive termination, including the provisions of sections 1, 3, 5, 6, 7, and 8 of these General Provisions, our Chargeback rights, and your duties set forth in the Merchant Regulations to protect Cardmember Information, indemnify us, retain documents evidencing Transactions, and notify your Recurring Billing customers of such termination. Our and our agent's right of direct access to the Bank Account will also survive until such time as all credits and debits permitted by the Agreement, and relating to Transactions prior to the effective date of termination, have been made.

7. DISPUTE RESOLUTION

We value our Merchant relationships. Most Merchant concerns can be resolved by contacting our agent, TMS, at 1.800.228.2443. Please be prepared to provide them with any information you have about the matter, including any efforts you may have made to address or resolve the matter. In the event our agent is unable to resolve a complaint to your satisfaction, this section explains how Claims can be resolved through mediation, arbitration or litigation. It includes an arbitration provision. Your agreement to this Dispute Resolution provision does not preclude you from bringing your concerns to the attention of any appropriate governmental agencies.

a. **Notice of Claim.** Before filing a lawsuit or beginning a mediation or arbitration regarding a Claim, you and we agree to send a written notice (Claim notice) to each party against whom the Claim is asserted. This provides the parties an opportunity to resolve the Claim informally or through mediation. The Claim notice must describe the nature and basis of the Claim and state the specific amount or other relief demanded. Notice to us must include your name, your Merchant name, address, and Merchant Number and be sent to our notice address set forth in section 4.b of the General Provisions. If the Claim proceeds to arbitration, the amount of any relief demanded by you or us in a Claim notice shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or we are entitled on the Claim.

b. **Mediation.** In mediation, a neutral mediator helps parties resolve a claim. The mediator does not decide the claim but helps parties reach agreement.

i. **Initiation of Mediation.** Before beginning a mediation, you or we must first provide the Claim notice described above. Within thirty days after sending or receiving a Claim notice, you or we may submit the Claim to JAMS (1-800-352-5267, jamsadr.com) or the American Arbitration Association ("AAA") (1-800-778-7879, adr.org) for mediation, or to an alternative mediator mutually agreed upon in writing by you and us.

ii. **Conduct of Mediation.** You and we agree to cooperate in selecting a mediator from a panel of neutrals and in scheduling the mediation proceedings. We will pay the fees of the mediator.

iii. **Confidentiality/Tolling.** All communications made for the purpose of, in the course of, or pursuant to the mediation shall be confidential, and no evidence of any such communication shall be admissible for any purpose or subject to discovery. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled from thirty days following the sending of the Claim notice for sixty days or until termination of the mediation, whichever is earlier.

iv. **Termination.** Either you or we may terminate the mediation at any time following the first mediation proceeding. Your or our submission or failure to submit a Claim to mediation shall not affect your or our right to elect to resolve a Claim through arbitration.

c. **Arbitration.** You or we may elect to resolve any Claim by individual arbitration. Claims are decided by a neutral arbitrator. **If arbitration is chosen by any party, neither you nor we will have the right to litigate that Claim in court or have a jury trial on that Claim. Further, you and we will not have the right to participate in a representative capacity or as a member of any class pertaining to any Claim subject to arbitration. Arbitration procedures are generally simpler than the rules that apply in court, and discovery is more limited. The arbitrator's decisions are as enforceable as any court order and are subject to very limited review by a court. Except as set forth below, the arbitrator's decision will be final and binding. Other rights you or we would have in court may also not be available in arbitration.**

i. **Initiation of Arbitration.** Before beginning an arbitration, you or we must first provide the Claim notice described above. Claims will be referred to either JAMS or AAA, as selected by the party electing arbitration. Claims will be resolved pursuant to this Arbitration provision and the selected organization's rules in effect when the Claim is filed, except where those rules conflict with this Agreement. If we choose the organization, you may select the other within 30 days after receiving notice of our selection. Contact JAMS or AAA to begin an arbitration or for other information. Claims also may be referred to another arbitration organization if you and we agree in writing or to an arbitrator appointed pursuant to section 5 of the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (FAA). Any arbitration hearing that you attend shall take place in the federal judicial district where your headquarters is located or New York, NY, at your election.

ii. **Limitations on Arbitration.** **If either party elects to resolve a Claim by arbitration, that Claim will be arbitrated on an individual basis. There will be no right or authority for any Claims to be arbitrated on a class action basis or on bases involving Claims brought in a purported representative capacity on behalf of the general public, other Merchants or other persons similarly situated.** The arbitrator's authority is limited to Claims between you and us alone.

Claims may not be joined or consolidated unless you and we agree in writing. An arbitration award and any judgment confirming it will apply only to the specific case and cannot be used in any other case except to enforce the award. This prohibition is intended to, and does, preclude you from participating in any action by any trade association or other organization against us. Notwithstanding any other provision and without waiving the right to appeal such decision, if any portion of these *Limitations on Arbitration* is deemed invalid or unenforceable, then the entire Arbitration provision (other than this sentence) will not apply.

iii. **Previously Filed Claims/No Waiver.** You or we may elect to arbitrate any Claim that has been filed in court at any time before trial has begun or final judgment has been entered on the Claim. Either you or we may choose to delay enforcing or to not exercise rights under this arbitration provision, including the right to elect to arbitrate a Claim, without waiving the right to exercise or enforce those rights on any other occasion. For the avoidance of any confusion, and not to limit its scope, this section applies to any class-action lawsuit relating to the "Honor All Cards," "non-discrimination," or "no steering" provisions of the Merchant Regulations, or any similar provisions of any prior Card acceptance agreement, that was filed against us prior to the effective date of the Agreement.

iv. **Arbitrator's Authority.** The arbitrator shall have the power and authority to award any relief that would have been available in court, including equitable relief (e.g., injunction, specific performance) and, cumulative with all other remedies, shall grant specific performance whenever possible. The arbitrator shall have no power or authority to alter the Agreement or any of its separate provisions, including this section, nor to determine any matter or make any award except as provided in this section.

v. **Split Proceedings for Equitable Relief.** Either you or we may seek equitable relief in aid of arbitration prior to arbitration on the merits to preserve the status quo pending completion of such process. This section shall be enforced by any court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, including legal fees, to be paid by the party against whom enforcement is ordered.

vi. **Small-Claims Court; Injunctive Relief.** We shall not elect to use arbitration under this section for any Claim you properly file in a small claims court so long as the Claim seeks individual relief only and is pending only in that court. Injunctive relief sought to enforce the provisions of sections 8.a and 8.b of the General Provisions is not subject to the requirements of this section. This section is not intended to, and does not, substitute for our ordinary business practices, policies, and procedures, including our rights to Chargeback and to create Reserves.

vii. **Governing Law/Arbitration Procedures/Entry of Judgment.** This section is made pursuant to a transaction involving interstate commerce and is governed by the FAA. The arbitrator shall apply New York law and applicable statutes of limitations and shall honor claims of privilege recognized by law. The arbitrator shall apply the rules of the arbitration organization selected, as applicable to matters relating to evidence and discovery, not the federal or any state rules of civil procedure or rules of evidence, provided that any party may request that the arbitrator expand the scope of discovery by doing so in writing and copying any other parties, who shall have fifteen days to make objections, and the arbitrator shall notify the parties of his/her decision within twenty days of any objecting party's submission. If your Claim is for \$10,000 or less, you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the rules of the selected arbitration organization. At the timely request of a party, the arbitrator shall provide a written and reasoned opinion explaining his/her award. The arbitrator's decision shall be final and binding, except for any rights of appeal provided by the FAA. If the amount of the award exceeds \$100,000, either party can appeal that award to a three-arbitrator panel administered by the selected arbitration organization which shall reconsider de novo any aspect of the initial award requested and whose decision shall be final and binding. The decision of that three-person panel may be appealed as provided by the FAA. Judgment upon an award rendered by the arbitrator or by a panel of arbitrators on appeal may be entered in any state or federal court in the federal judicial district where your headquarters or your assets are located.

viii. **Confidential Proceedings.** The arbitration proceeding and all testimony, filings, documents, and any information relating to or presented during the proceedings shall be deemed to be confidential information not to be disclosed to any other party. All offers, promises, conduct, and statements, whether written or oral, made in the course of the Claim resolution, negotiations, mediations, arbitration, and proceedings to confirm arbitration awards by either party, its agents, employees, experts or attorneys, or by the mediator or arbitrator, including any arbitration award or judgment related thereto, are confidential, privileged, and inadmissible for any purpose, including impeachment or estoppel, in any other litigation or proceeding involving any of the parties or non-parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation, mediation, or arbitration.

ix. **Costs of Arbitration Proceedings.** You will be responsible for paying your share of any *arbitration fees* (including filing, administrative, hearing or other fees), but only up to the amount of the filing fees you would have incurred if you had brought a Claim in court. We will be responsible for any additional arbitration fees. At your written request, we will consider in good faith making a temporary advance of your share of any arbitration fees, or paying for the reasonable fees of an expert appointed by the arbitrator for good cause.

x. **Additional Arbitration Awards.** If the arbitrator rules in your favor for an amount greater than any final offer we made before arbitration, the arbitrator's award will include: (1) any money to which you are entitled, but in no case less than \$5,000; and (2) any reasonable attorneys' fees, costs and expert and other witness fees.

d. **Definitions.** For purposes of section 7 of the General Provisions only, (i) *we*, *our*, and *us* include any of our Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables, and all agents, directors, and representatives of any of the foregoing, and (ii) *you* and *your* include any of your Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables and all agents, directors, and representatives of any of the foregoing.

e. **Continuation.** This section will survive termination of this Agreement, any legal proceeding to collect a debt, any bankruptcy and any sale of you or your assets (in the case of a sale, its terms will apply to the buyer). If any portion of this Dispute Resolution section, except as otherwise provided in the *Limitations on Arbitration* subsection, is deemed invalid or unenforceable, it will not invalidate the remaining portions of this Dispute Resolution section, the Agreement or any

predecessor agreement you may have had with us, each of which shall be enforceable regardless of such invalidity.

8. MISCELLANEOUS

- a. **Confidentiality.** You must keep confidential and not disclose to any third party the provisions of the Agreement and any information that you receive from us that is not publicly available.
- b. **Proprietary Rights and Permitted Uses.** Neither party has any rights in the other party's Marks, except as otherwise expressly specified in the Merchant Regulations, nor shall one party use the other party's Marks without its prior written consent, except that we may use your name, address (including your website addresses or URLs), and customer service telephone numbers in any media at any time.
- c. **Your Representations and Warranties.** You represent and warrant to us that: (i) you are duly organized, validly existing, and in good standing under the laws of the jurisdiction in which you are organized; (ii) you are duly qualified and licensed to do business in all jurisdictions in which you conduct business; (iii) you have full authority to enter into the Agreement and all necessary assets and liquidity to perform your obligations and pay your debts hereunder as they become due; (iv) there is no circumstance threatened or pending that might have a material adverse effect on your business or your ability to perform your obligations or pay your debts hereunder; (v) you are authorized to enter into the Agreement on behalf of your Establishments and Affiliates, including those indicated in the Agreement, and the individual who signs the Agreement or otherwise enters into it has authority to bind you and them to it; (vi) you are not (1) listed on the U.S. Department of Treasury, Office of Foreign Assets Control, Specially Designated Nationals and Blocked Persons List (available at www.treas.gov/ofac), (2) listed on the U.S. Department of State's Terrorist Exclusion List (available at www.state.gov), or (3) located in or operating under license issued by a jurisdiction identified by the U.S. Department of State as a sponsor of international terrorism, by the U.S. Secretary of the Treasury as warranting special measures due to money laundering concerns, or as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member; (vii) you have not assigned to any third party any payments due to you under the Agreement; (viii) all information that you provided in connection with the Agreement is true, accurate, and complete; and (ix) you have read the Agreement and kept a copy for your file. If any of your representations or warranties in the Agreement becomes untrue, inaccurate, or incomplete at any time, we may immediately terminate the Agreement in our discretion.
- d. **Compliance with Laws.** You shall comply with all applicable laws, regulations, and rules.
- e. **Governing Law; Jurisdiction; Venue.** The Agreement and all Claims are governed by and shall be construed and enforced according to the laws of the State of New York without regard to internal principles of conflicts of law. Subject to section 7, any action by either party hereunder shall be brought only in the appropriate federal or state court located in the County and State of New York. Each party consents to the exclusive jurisdiction of such court and waives any Claim of lack of jurisdiction or forum non conveniens.
- f. **Interpretation.** In construing the Agreement, unless the context requires otherwise: (i) the singular includes the plural and vice versa; (ii) the term "or" is not exclusive; (iii) the term "including" means "including, but not limited to;" (iv) the term "day" means "calendar day;" (v) all amounts are stated in U.S. dollars; (vi) references to a "party" means us, on the one hand, and you, on the other hand; (vii) the term "may" (unless followed by "not") means "has the right, but not the obligation, to;" (viii) any reference to any agreement (including the Agreement), instrument, contract, policy, procedure, or other document refers to it as amended, supplemented, modified, suspended, replaced, restated, or novated from time to time; (ix) any reference to a website or a URL (or both) refers to its successor website or URL; (x) all captions, headings, and similar terms are for reference only; and (xi) where specific language is used to illustrate by example or clarify a general statement, such specific language shall not be interpreted to modify, limit, or restrict the construction of the general statement. To the extent possible, these General Provisions, the provisions of the Merchant Regulations, and the provisions of any accompanying schedules or exhibits shall be interpreted to give each their full effect. However, if a conflict is deemed to exist between them, then that conflict shall be resolved in the following order of precedence: any accompanying schedules or exhibits shall control over these General Provisions or the Merchant Regulations (or both) and the Merchant Regulations shall control over these General Provisions.
- g. **Assignment.** You shall not assign the Agreement, or any of your rights, interests, or obligations hereunder, whether voluntarily or by operation of law (including by way of sale of assets, merger, or consolidation), without our prior written consent. Any purported assignment by operation of law is voidable in our sole discretion. We may assign the Agreement or any of our rights, interests, or obligations hereunder, without your consent. Except as otherwise specified herein, the Agreement binds, and inures to the benefit of, the parties and their respective successors and permitted assigns.
- h. **Waiver; Cumulative Rights.** Either party's failure to exercise any of its rights under the Agreement, its delay in enforcing any right, or its waiver of its rights on any occasion, shall not constitute a waiver of such rights on any other occasion. No course of dealing by either party in exercising any of its rights shall constitute a waiver thereof. No waiver of any provision of the Agreement shall be effective unless it is in writing and signed by the party against whom the waiver is sought to be enforced. All rights and remedies of the parties are cumulative, not alternative.
- i. **Savings Clause.** Other than as set forth in the last sentence of section 7.c above, if any provision of the Agreement is held by a court of competent jurisdiction to be illegal or unenforceable, that provision shall be replaced by an enforceable provision most closely reflecting the parties' intentions, with the balance of the Agreement remaining unaffected.
- j. **Amendments.** We reserve the right to change the Agreement at any time (including by amending any of its provisions, adding new provisions, or deleting or modifying existing provisions) on at least ten days' prior notice to you, provided that we shall change the Merchant Regulations pursuant to the following provisions. You agree to accept all changes (and further to abide by the changed provisions in the Merchant Regulations) as a condition of your agreement to accept the Card. We are not bound by any changes that you propose in the Agreement, unless we expressly agree in a writing signed by our authorized representative. An e-mail or other electronic communication does not constitute such a signed writing.

(1) **Scheduled Changes.** The Merchant Regulations are published twice each year, in April and October. We have

the right to, and hereby notify you that we may, change the provisions of the Merchant Regulations in scheduled releases (sometimes called "Notification of Changes" in our materials) as follows:

- a release of scheduled changes, to be published every April, which changes shall take effect in the following October (or in a later) edition of the Merchant Regulations or during the period between two editions of the Merchant Regulations, and
- a release of scheduled changes, to be published every October, which changes shall take effect in the following April (or in a later) edition of the Merchant Regulations or during the period between two editions of the Merchant Regulations.

Where a change is to take effect during the period between two editions of the Merchant Regulations, we shall also include the change in the edition of the Merchant Regulations covering the period during which the change shall take effect, noting the effective date of the change therein.

- (2) **Unscheduled Changes.** We also have the right to, and hereby notify you that we may, change the provisions of the Merchant Regulations in separate unscheduled releases, which generally shall take effect ten days after notice to you (unless another effective date is specified in the notice).
- k. **Entire Agreement.** The Agreement is the entire agreement between you and us regarding the subject matter hereof and supersedes any previous agreements, understandings, or courses of dealing regarding the subject matter hereof.
- l. **Disclaimer of Warranties.** WE DO NOT MAKE AND HEREBY DISCLAIM ANY AND ALL REPRESENTATIONS, WARRANTIES, AND LIABILITIES, WHETHER EXPRESS, IMPLIED, OR ARISING BY LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY OF TITLE OR NON-INFRINGEMENT.
- m. **No Third-Party Beneficiaries.** Except for the indemnitees specified in Section 5.a of the General Provisions, the Agreement does not and is not intended to confer any rights or benefits on any person that is not a party hereto and none of the provisions of the Agreement shall be enforceable by any person other than the parties hereto, their successors and permitted assigns. The parties reserve the right to amend or terminate the Agreement without the consent of those indemnitees.
- n. **Press Releases.** You shall not issue any press release or make any public announcement (or both) in respect of the Agreement or us without our prior written consent.
- o. **Independent Contractors.** You and we are independent contractors. No agency, partnership, joint-venture, or employment relationship is created between the parties by the Agreement. Each party is solely responsible for its own acts and omissions and those of its respective agents, employees, representatives, and subcontractors in connection with the Agreement.

AMERICAN EXPRESS TRAVEL RELATED SERVICES COMPANY, INC.

By:



Ramón Martín
President
Merchant Services, Americas

Schedule A

Other Important Provisions for Card Acceptance American Express OnePoint Program

1. OVERVIEW OF AMERICAN EXPRESS ONEPOINT PROGRAM

a. **Eligibility; Transition to Our Standard Card Acceptance Program.** Our American Express OnePoint Program provides integrated Card acceptance services to eligible Entities through our agents, including First National Bank of Omaha. If you do not qualify for this program, you may be enrolled in our standard American Express Card acceptance program, which has different servicing terms (e.g., different speeds of payment); you may terminate the Agreement if you do not wish to so be enrolled. If you become ineligible for our American Express OnePoint Program, we will transition you to our standard American Express Card acceptance program upon forty-five day's prior notice, unless you opt-out of that transition by notifying our agent in writing no later than fifteen days prior to the effective date of transition.

b. **Program Services.** We may perform our obligations and exercise our rights under the Agreement directly or through our agents. Since we are acting through our agent in many instances under the Agreement, the terms "we," "our," or "us" also may refer to our agent above, as the context requires. ***Please direct all inquiries and notices under the American Express OnePoint Program to our agent:***

TSYS Merchant Solutions, LLC
Attention: Legal Department
1601 Dodge Street, 23E
Omaha, NE 68102-1637

c. **Merchant Regulations.** The Merchant Regulations set forth the policies and procedures of our standard American Express Card acceptance program. The provisions of this Schedule A describe the different terms that apply to you under the American Express OnePoint Program and take precedence over the corresponding provisions of the Merchant Regulations. For example, since Entities classified in certain industries do not qualify for, or certain fees or assessments do not apply in, the American Express OnePoint Program, references in the Merchant Regulations to those industries may not apply to you. Please contact our agent for a copy of the Merchant Regulations and with any questions about specific industries under the program.

2. DOING BUSINESS WITH AMERICAN EXPRESS

a. **Certain American Express Terms Not Applicable.** Our Online Merchant Services, the terms applicable to Corporate Purchasing Cards, and our Monthly Flat Fee option are not available to you under the American Express OnePoint Program. During your participation in the program, you are not required to configure your systems to communicate directly with our systems and you must not provide Payment Services or otherwise act as a Payment Service Provider.

b. **Merchant Number; Your Merchant Information.**

Under the American Express OnePoint Program, you will not receive a standard American Express Merchant Number. Our agent will instead assign a unique OnePoint Program "merchant" or "account" number to your Establishment; if you have more than one Establishment (or a sales channel for Internet Orders), it may assign to each a separate number. You will need that number each time you call our agent under the American Express OnePoint Program. (If you are enrolled in or transition to our standard Card acceptance program, we (not our agent) will assign you a standard American Express Merchant Number.) You must notify our agent of any changes in your business and banking information and any closings of your Establishments. Our agent may verify and disclose information about you, including by requesting reports about you and the person signing your application to accept the Card.

3. AUTHORIZATION

During your participation in the American Express OnePoint Program, you must initiate an Authorization for each Charge according to the Authorization procedures of our agent and contact our agent about all Authorization responses. You must obtain from and submit to our agent an Authorization Approval code for all Charges. Authorization does not guarantee that we or our agent will accept the Charge without exercising Chargeback, nor is it a guarantee that the person making the Charge is the Cardmember or that you will be paid.

4. SUBMISSION

During your participation in the American Express OnePoint Program, you must submit Charges and Credits electronically to our agent according to its Submission procedures under the OnePoint Program "merchant" or "account" number of the Establishment where the Charge or credit originated. You must not submit Charges and Credits on paper.

5. SETTLEMENT

a. **Settlement Amount.** Our agent will pay you according to your payment plan, as de-scribed below, in U.S. dollars for the face amount of Charges submitted from your Establishments less all applicable deductions, rejections, and withholdings, which include: (i) the Discount, (ii) any amounts you owe us or our Affiliates, (iii) any amounts for which we have Chargebacks, and (iv) any Credits you submit. Our agent will subtract the full amount of all applicable deductions rejections, and withholdings, from this payment to you (or debit your Bank Account), but if it cannot, then you must pay it promptly upon demand.

b. **Discount.** Your initial Discount and other fees and assessments are indicated in the Agreement or otherwise provided to you in writing by our agent. We or our agent may adjust any of these amounts and may change any other amount charged to you for accepting the Card. We or our agent may charge you different Discount Rates for Charges submitted by your Establishments that are in different industries. We or our agent will notify you of such fees, such adjustments and charges, and assessments and any different Discount Rates or Transactions fees that apply to you.

c. **Payment Plan.** During your participation in the American Express OnePoint Program, the terms of your payment plan (e.g., speed of payment, payment and reconciliation options) with our agent govern settlement payments to you. Our agent will send payments for Charges from your Establishments according to your payment plan to your Bank Account that you designate to it. You must notify your bank that we, through our agent, will have access to your account for debiting and crediting the Bank Account.

6. PROTECTING CARDMEMBER INFORMATION

You must notify our agent immediately if you know or suspect that Cardmember Information has been accessed or used without authorization or used other than in accordance with the Agreement. You must promptly provide to us and our agent all Card Numbers related to the data incident and audit reports of the data incident, and you must work with us and our agent to rectify any issues arising from the data incident, as specified in the Merchant Regulations.

7. RISK EVALUATION

a. **Prohibited/High Risk Merchants and Activities.** Entities classified in certain industries or accepting Transactions for certain prohibited activities do not qualify for the American Express OnePoint Program, but may qualify for our standard American Express Card acceptance program. Please contact our agent with any questions about those risk evaluation procedures under the program.

b. **Protective Actions.** Our agent may take actions to protect our rights or those of any of our Affiliates by events identified by our agent and may include requiring you to deposit funds or other collateral with us or our agent, changing the speed of payment for Charges, exercising Chargeback under any of our Chargeback programs, and charging you fees for Disputed charges. Our agent may establish the Reserve; increase the Reserve from time to time; make deductions and withhold from, and recoup and set-off against the Reserve any amounts owed under the Agreement; and terminate the Agreement on our behalf. Our agent will inform you if a Reserve is established. You must provide to our agent promptly, upon request, information about your finances, creditworthiness, and operations, including your most recent certified financial statements. You must notify our agent immediately of the occurrence of any event described in Section 3.b.vii of the General Provisions.

8. INQUIRIES AND CHARGEBACKS

During your participation in the American Express OnePoint Program, our agent's procedures for Inquiries, Disputed Charges, and Chargebacks govern the Disputed Charge process, provided that nothing therein waives our Chargeback rights under the Agreement. Our agent may Chargeback by deducting, withholding, recouping from, or offsetting against our payments to you (or debiting your Account), or our agent may notify you of your obligation to pay us (through our agent), which you must do promptly and fully. Our or our agent's failure to demand payment does not waive our Chargeback rights.

ASSOCIATION RULES

NOTICE: This information is a summary of common ASSOCIATION regulations; however card acceptance, processing and chargeback procedures are subject to change. Capitalized Terms not defined herein shall have the meaning ascribed to them in the ASSOCIATIONS' regulations. If there are any differences between the ASSOCIATIONS' regulations and these RULES, the ASSOCIATIONS' regulations will prevail in every instance. To the extent these RULES or the ASSOCIATIONS' regulations conflict with applicable local, state, or federal laws, rules, or regulations, such local, state, or federal laws, rules or regulations shall govern. The ASSOCIATIONS publish summaries of the regulations for merchants. Some of these summaries may be accessed at www.visa.com and www.mastercard.com, while AMERICAN EXPRESS and DISCOVER regulations may be accessed at www.tsystransactionssummary.com. Regulations for the AMERICAN EXPRESS OnePoint program may be accessed at www.americanexpress.com/onepoint.

ASSOCIATION CARD ACCEPTANCE PROCEDURES

1. Honor All CARDS:

- 1.1 MERCHANT shall honor all CARDS issued by an ASSOCIATION, when presented in accordance with these RULES, for the purchase of goods or services by an authorized holder of CARD or in processing a request for credit resulting from such a transaction, unless MERCHANT provides TMS and BANK with a thirty (30) day written notice that it no longer wishes to accept either credit or debit cards, including check or prepaid cards (i.e., non-PIN based debit). If MERCHANT has provided such notice to TMS and BANK, upon the expiration of the thirty (30) day notice period, MERCHANT will no longer be required to accept such cards.
- 1.2 If a cardholder presents a VISA CARD that is in the MERCHANT's category of acceptance and that bears a mark representing another payment service: (i) MERCHANT must honor the cardholder's request if the cardholder indicates that the transaction is to be processed as a VISA transaction and (ii) MERCHANT may process the transaction as something other than a VISA transaction despite an initial indication by the cardholder that the transaction is to be processed as a VISA transaction, but only if the cardholder agrees that the transaction may be processed as something other than a VISA transaction. MERCHANT may not mislead the cardholder concerning what payment service or system will be used. These rules do not require MERCHANT to explain any loss of consumer rights if the transaction is not processed as a VISA transaction, but if MERCHANT provides any information on this topic, that information must be accurate.
- 1.3 PROHIBITIONS - A MERCHANT must not:
 - A. Accept cardholder payments for previous Visa Card or Visa Electron Card charges incurred at the MERCHANT location;
 - B. Require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed;
 - C. Add any surcharge to transactions, except as permitted by the RULES;
 - D. Add any tax to transactions, unless applicable laws or regulations permit a MERCHANT to collect a tax. Any tax amount, if allowed, must be included in the transaction amount and not collected separately;
 - E. Enter into interchange any transaction receipt for a transaction that was previously charged back and subsequently returned to the MERCHANT irrespective of cardholder approval. The MERCHANT may pursue payment from the customer outside the VISA system;
 - F. Request or use an account number for any purpose other than as payment for its goods or services, except to support the Health Care Eligibility Service or VISA Activation and Load Service, as specified in VISA regulations;
 - G. Disburse funds in the form of travelers cheques, if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from MERCHANT;
 - H. Disburse funds in the form of cash, unless:

- 1) MERCHANT is dispensing funds in the form of travelers cheques, Visa TravelMoney Cards, or Foreign Currency. In this case, the transaction amount is limited to the value of the travelers cheques, Visa TravelMoney Card, or Foreign currency plus any commission or fee charged by the MERCHANT; or
- 2) MERCHANT is participating in the Visa Cash Back Service, as further specified in the VISA regulations.
 - I. Accept a Visa Card or Visa Electron card for the purchase of Scrip;
 - J. Accept a Visa electron Card for Manual Cash Disbursement;
 - K. Accept a Visa TravelMoney Card for a Manual Cash Disbursement;
 - L. Accept a card to collect or refinance an existing debt that has been deemed uncollectible by the merchant providing the associated goods or services. (Note: A transaction that represents a payment on an existing obligation must be identified by the appropriate indicator in the Authorization Request and Clearing Record.);
 - M. Enter into interchange a transaction that represents collection of a dishonored check;
 - N. Require a cardholder to waive his or her rights to dispute the transaction as a condition of the SALE; or
 - O. Establish a minimum or maximum transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except as permitted by the RULES.

2. Sales Transactions:

- 2.1 No SALE may be completed if cardholder (the duly authorized holder and user of CARD) fails to present his/her CARD to MERCHANT at time of SALE, except in the case of Card Not Present environments where MERCHANT has received written permission by TMS and BANK to do so.
- 2.2 IF USING AN ELECTRONIC DEVICE, MERCHANT MUST HAVE THE CARD SUCCESSFULLY READ BY A MAGNETIC STRIPE CARD READER/TERMINAL WITH PRINTER ATTACHED. If MERCHANT's terminal cannot successfully read the magnetic stripe, MERCHANT must imprint the card, even if it is a key entered transaction. MERCHANT must imprint the CARD on the same SALES DRAFT (a paper record evidencing the purchase of goods or services using a CARD) containing the remainder of the transaction information and the cardholder signature. Failure to obtain a signed and imprinted SALES DRAFT when a transaction is not captured by swiping through a magnetic stripe reader will expose MERCHANT to a CHARGEBACK on such a transaction regardless of the authorization that may or may not be received.
- 2.3 MERCHANT shall obtain the cardholder's signature on the SALES DRAFT, where required by the RULES.
- 2.4 Unless specifically permitted by TMS and BANK to the contrary, goods and services purchased must be delivered to cardholder at time of SALE.
- 2.5 MERCHANT shall not require cardholders to provide personal information (such as telephone number or address) as a condition for honoring a SALE, unless required by the RULES.
- 2.6 If MERCHANT receives BIN information from TMS and BANK, MERCHANT must not use such information for any reason other than to identify VISA debit category products at the point of sale, unless authorized by VISA. VISA BIN information is proprietary and confidential information belonging to VISA. MERCHANT must not disclose VISA BIN information to any third party without prior written permission from VISA. If MERCHANT uses an agent or Merchant Servicer, MERCHANT must include the foregoing provisions in its agreement or contract with such agent or Merchant Servicer.

3. SALES DRAFTS:

- 3.1 MERCHANT shall deliver to the cardholder, at the time of a SALE, a true, complete, and legible copy of the SALES DRAFT or suitable receipt evidencing a SALE involving use of CARD.
- 3.2 At a minimum, the following information must be included on the SALES DRAFT (additional information may be required by the RULES depending on the transaction):
 - A. final four digits of CARD account number. MERCHANT is responsible for determining and complying with all applicable LAWS regarding CARD account number truncation requirements and CARD expiration date requirements for SALES DRAFTS;
 - B. MERCHANT's d/b/a name;
 - C. MERCHANT's city and state;
 - D. amount of the SALE (including any applicable taxes or amount of adjustment or credit);
 - E. date of the SALE;
 - F. space for cardholder signature if applicable;
 - G. transaction payment type;
 - H. legend identifying the party to whom it will be delivered (i.e. merchant copy, customer copy);
 - I. authorization code;
 - J. clear imprint of the CARD unless successfully read by a magnetic stripe reader; and
 - K. brief description of the goods or services sold, returned, or cancelled.
- 3.3 MERCHANT shall store all SALES DRAFTS and transaction records in the manner and timeframes required by the RULES.
- 3.4 MERCHANT shall not deposit SALES DRAFTS that it knows or should have known to be either fraudulent or not authorized by the cardholder.

4. Security Features:

- 4.1 In all cases, MERCHANT is required to examine the card security features prior to completing a SALE.
- 4.2 When an Electronic Cash Register ("ECR") or Electronic Draft Capture ("EDC") terminal reads the magnetic stripe on the CARD, MERCHANT must check the CARD account number on the terminal (if displayed) against the account number embossed on the CARD or follow such other security check as is mandated by TMS and BANK from time to time. If the CARD is read with a terminal that displays the CARD number and the SALES DRAFT is printed, MERCHANT shall verify that the account number

displayed on the terminal match the embossed numbers on the face of the CARD. In the event that they do not match, the SALE must not be completed. Failure to follow these checks and procedures will expose MERCHANT to CHARGEBACKS.

- 4.3 In the event that the terminal is programmed to require MERCHANT to key the last four (or more) digits of each CARD used for a SALE, and the terminal indicates that the numbers keyed are not the same as those present on the card, the SALE must not be completed.
- 4.4 In order to protect the integrity of the ASSOCIATIONS' systems, BANK may hold funds settled by MERCHANT in the event of a breach of AGREEMENT, irregular SALES activity, or receipt of detrimental financial information.

5. Authorization:

- 5.1 On all SALES, MERCHANT shall request an authorization for the total amount of the SALE and shall record the positive authorization response code on the SALES DRAFT prior to completing the SALE. If MERCHANT receives a negative authorization response, MERCHANT shall not complete the SALE and may receive further instructions from the authorization center.
- 5.2 MERCHANT may not, after receiving a negative response or decline on an authorization request:
 - A. split the SALE amount into multiple transactions in order to obtain a valid authorization for each one, so that the separate transactions total the original dollar amount of the SALE; or
 - B. attempt any further electronic or voice authorizations.
- 5.3 In the event that an unsigned CARD is presented at the point of sale, MERCHANT must request that cardholder provide proof of identification and sign the card before completing the SALE. Details of the identification provided must be placed on the SALES DRAFT unless prohibited by local law. In the event that the cardholder refuses to do so, the SALE must not be completed.
- 5.4 MERCHANT agrees to obtain authorization from the voice authorization center as required by the RULES.

6 Returned Merchandise and Adjustments:

- 6.1 If MERCHANT agrees to credit a cardholder for any merchandise or service that was the subject of a SALE, MERCHANT must provide a Credit Transaction Receipt using the same CARD as in the original SALE. Such credit shall not exceed the original SALE amount. MERCHANT shall not make any cash refund on SALES.
- 6.2 MERCHANT may limit its acceptance of returned merchandise or establish a policy to make price adjustments for any SALE provided proper disclosure is made and purchased goods and service are delivered to the cardholder at the time of the SALE.
- 6.3 Proper disclosure means the words "NO REFUND," "EXCHANGE ONLY," or "IN STORE CREDIT ONLY" are printed in large letters near the signature line on all copies of the SALES DRAFT prior to obtaining the cardholder's signature on the SALES DRAFT. MERCHANT may stipulate other special circumstances or terms of the SALE on the SALES DRAFT.
- 6.4 For each credit transaction, MERCHANT must be able to provide TMS and BANK with evidence of the original purchase.

7. Cash Transaction:

- 7.1 MERCHANT shall not receive money from a cardholder and subsequently prepare a credit voucher for the purpose of depositing to the cardholder's account.
- 7.2 Cash disbursement by MERCHANT to a cardholder is not permitted unless you are a financial institution with written authorization from BANK and as specifically permitted by the RULES. Additionally, MERCHANT shall not make any cash advance to an employee, principal, or family member of MERCHANT, who is a cardholder.
- 7.3 MERCHANT will not accept SALES from cardholders where the primary purpose of the transaction is for the provision of working capital to business and not the purchase of goods and/or services from the business.

8. Use of Promotional Materials and Marks:

- 8.1 MERCHANT will adequately display promotional materials as required by the RULES or provided by TMS and BANK to inform the public that MERCHANT will honor CARDS.
- 8.2 MERCHANT shall prominently display the ASSOCIATIONS' Marks at or near all major public access points to inform the public that MERCHANT will honor CARDS. MERCHANT shall always display the Marks in their full color version. The MERCHANT must display the Marks upon acceptance of the CARDS.
- 8.3 MERCHANT shall not use the ASSOCIATION's Marks for any other purpose without the express written consent of the ASSOCIATIONS. MERCHANTS who use the Marks shall obtain no interest in the Marks except the right to use them in accordance with the RULES.
- 8.4 All uses by MERCHANT of decals, signs, printed and broadcast materials, and other promotional materials must be in conformity with the requirements of the ASSOCIATIONS, SPONSORS, TMS and BANK. MERCHANT will not at any time do or cause to be done any act or deed in any way impairing or intended to impair TMS's, BANK's, ASSOCIATIONS', or SPONSOR's exclusive right, title, and interest in and to its respective protected Marks.
- 8.5 MERCHANT may use promotional materials only to indicate that CARDS are accepted for payment and shall not indicate, directly or indirectly, that MERCHANT has received endorsement of any goods or services other than the CARDS' services.
- 8.6 MERCHANT may not refer to the CARDS in stating eligibility for its products, services, or membership.
- 8.7 MERCHANT shall permit TMS, BANK, ASSOCIATIONS, and SPONSORS, at all reasonable times, to inspect the MERCHANT's use of the promotional materials and Marks. Should any materials so submitted fail to meet with TMS's, BANK's, ASSOCIATIONS', or SPONSOR's approval or fail to comply with the RULES, for any reason whatsoever, the MERCHANT agrees to cease using such material. Neither TMS, BANK, ASSOCIATIONS, nor SPONSOR shall have any liability to MERCHANT relating to disapproval of use of such materials.
- 8.8 MERCHANT's right to use and display the Marks shall terminate upon termination of this Agreement. Upon termination, voluntary or involuntary, the MERCHANT shall immediately remove all Marks from all terminals and from any other display location maintained by such MERCHANT and shall immediately cease the use of all promotional materials using the Marks of ASSOCIATIONS.

9. CARDS Other than VISA, MASTERCARD, AMERICAN EXPRESS and DISCOVER:

- 9.1 MERCHANT is required to comply with the specific regulations, as set out in its agreements with ASSOCIATIONS other than VISA, MASTERCARD, AMERICAN EXPRESS, and/or DISCOVER with regard to the acceptance of cards issued by such ASSOCIATIONS. TMS and BANK are not responsible for the funding of such transactions. Further, TMS and BANK are not responsible for payment for SALES for any ASSOCIATIONS unless and until TMS and BANK have received payment for such SALES from the ASSOCIATIONS.

CHARGEBACKS

10. General:

- 10.1 Failure to comply with the RULES will reduce TMS's and BANK's ability to reverse CHARGEBACKS and increase the likelihood of MERCHANT receiving a CHARGEBACK.
- 10.2 MERCHANT may be subject to a CHARGEBACK on SALES for a minimum period of 180 days, plus the period of any warranty or guarantee on goods and/or services sold by MERCHANT, from the date the SALE was entered into the ASSOCIATIONS' processing system.
- 10.3 TMS and BANK agree to mail all CHARGEBACK documentation to the address provided by MERCHANT. MERCHANT agrees to respond promptly to all CHARGEBACKS. If TMS and/or BANK elects, at their sole discretion, to take action on CHARGEBACKS after the ASSOCIATION time limits have expired, such action shall be done at additional cost.
- 10.4 MERCHANT agrees that it will not re-deposit SALES that have been previously charged back and not represented. This restriction applies whether or not the cardholder consents to such activity.
- 10.5 MERCHANT agrees that if it receives a CHARGEBACK for an international cardholder, the MERCHANT is responsible for any currency conversion differences in the dollar amount.

11. CHARGEBACK Reasons:

- 11.1 MERCHANT should refer to the RULES for a complete list of CHARGEBACK reasons.

12. CHARGEBACK Monitoring Programs:

- 12.1 Any MERCHANT location that exceeds a one percent (1%) CHARGEBACK to Interchange ratio for all incoming CHARGEBACKS for that location is considered an excessive chargeback merchant and may be subject to Visa and MasterCard's monitoring programs. Merchants are responsible for monitoring their monthly chargeback percentage and developing chargeback reduction plans as required by Visa and MasterCard. Excessive CHARGEBACK activity for an unreasonable period of time may result in termination of this AGREEMENT. MERCHANT will pay TMS and/or BANK for any fine or charge levied by the ASSOCIATIONS on TMS and/or BANK or MERCHANT as a result of its chargeback activity. This section may be amended from time to time as a result of action by ASSOCIATIONS.

13. Other Association Monitoring Programs:

- 13.1 If MERCHANT is identified by certain ASSOCIATION monitoring programs, TMS's and BANK's ability to reverse CHARGEBACKS may be severely restricted.
- 13.2 Certain monitoring programs review the number of lost, stolen and counterfeit CARDS accepted by MERCHANT in its normal course of business and the percentage of CARDS used for SALES that were not read electronically by terminals or ECRs. The purpose of these programs is to reduce the use of lost, stolen and counterfeit CARDS.
- 13.3 In the event that MERCHANT is identified under these programs as exceeding the acceptable threshold value of such CARDS, MERCHANT may become liable for CHARGEBACKS and SALES on lost, stolen, or counterfeit CARDS regardless of the CARD ACCEPTANCE PROCEDURES followed, and AGREEMENT may be terminated by TMS and BANK.

14. ASSOCIATION Registration Programs:

- 14.1 If MERCHANT is identified by certain ASSOCIATION registration programs, TMS and/or BANK will take the necessary steps to register the merchant. MERCHANT will pay TMS and BANK for any fine or charge levied by the ASSOCIATIONS on TMS, BANK, or MERCHANT as a result of the registration program including but not limited to one-time registration fees, ongoing registration fees and non-compliance fees. This section may be amended from time to time as a result of action by ASSOCIATIONS.

UNIQUE BUSINESS REQUIREMENTS

15. Card Not Present Merchants:

- 15.1 MERCHANT may not accept Card Not Present SALES unless AGREEMENT specifically refers to Card Not Present SALES. If this is not the case, MERCHANT should contact TMS and BANK if they wish to accept Card Not Present SALES and provide descriptions of product types and marketing methods. TMS and BANK may refuse MERCHANT permission to accept Card Not Present SALES.
- 15.2 If MERCHANT is specifically authorized by TMS and BANK to accept Card Not Present SALES, no SALE shall be submitted for processing prior to the shipping of the product or the provision of services purchased by the cardholder.
- 15.3 Card Not Present SALES do not require the cardholder's signature on the SALES DRAFT. MERCHANT is required to obtain the valid dates for each CARD used for a SALE. The expiration date must be submitted as part of the Authorization inquiry.
- 15.4 If MERCHANT supplies goods and/or services under a Pre-Authorization Order ("PO"), it shall not charge a cardholder for goods after receiving notice from a cardholder that the authorization for goods or services is canceled.
- 15.5 The receipt of a valid Authorization does not protect MERCHANT from CHARGEBACKS on SALES for the Unauthorized Purchaser reason code. The shipping documents indicating the address the goods were shipped to and a signature of an individual (even cardholder) will not normally be sufficient to reverse an Unauthorized Purchaser reason code.
- 15.6 MERCHANT assumes the risk associated with accepting Card Not Present SALES transactions.
- 15.7 Card Not Present MERCHANTS are encouraged to investigate the CHARGEBACK protection attributes of the various Address Verification Services and Card Verification Value Services available from ASSOCIATIONS.

- 15.8 MERCHANT, or its agent, shall implement and maintain all of the security requirements specified in PCI. MERCHANT shall immediately notify TMS and BANK of the use an agent. MERCHANT shall immediately notify TMS and BANK of any suspected or confirmed loss or theft of material or records that contain account information and both:
- A. demonstrate its ability to prevent future loss or theft of account or transaction information; and
 - B. allow the ASSOCIATIONS, or an acceptable independent third party, to verify this ability by conducting a security review.

15.9 Electronic Commerce Merchants (VISA):

- A. VISA makes the 3-D Authentication system available to Electronic Commerce Merchants as a way to reduce fraud in Internet Transactions. Electronic Commerce Merchants may elect to implement 3-D Secure. Electronic Commerce Merchants that process 3-D Secure Transactions must comply with requirements specified in the: (i) VISA Operating Regulations; (ii) the VISA 3-D Secure: Merchant Implementation Guide and (iii) VISA Cardholder Information Security Program.
- B. A web site operated by an Electronic Commerce Merchant must contain all of the following information: (i) a complete description of the goods or services offered; (ii) the merchant's returned merchandise and refund policy; (iii) the merchant's customer service contact, including electronic mail addresses and/or telephone number; (iv) the transaction currency; (v) any export or legal restrictions (if known); (vi) the merchant's delivery policy; (vii) the address of the merchant's permanent establishment; (viii) the merchant's consumer data privacy policy; and (ix) the security method for the transmission of payment data.
- C. Electronic Commerce Merchants must offer cardholders a secure transaction method, such as: (i) Secure Sockets Layer (SSL), or (ii) 3-D Secure.

16. Travel and Entertainment ("T&E") Merchants:

- 16.1 A MERCHANT whose primary function is to provide travel related services shall be referred to as a Travel & Entertainment ("T&E") MERCHANT. These include but are not limited to car rental, lodging, and central reservation services.
- 16.2 A T&E MERCHANT may process delayed or amended charges if the cardholder has consented to be liable for those charges. These charges may NOT include charges for loss, theft, or damage.

17. T&E Services:

- 17.1 A T&E MERCHANT may participate in any of the following VISA T&E Services:

- A. Priority Check-Out Service
- B. T&E Advance Deposit Service
- C. T&E Cash Disbursement Service
- D. VISA Reservation Service

RULES which apply to the VISA T&E Services are available upon request.

- 17.2 Visa Reservation Service: Any MERCHANT who accepts CARDS to guarantee reservations must do so in accordance with the following requirements:

- A. MERCHANT must accept all VISA CARDS;
- B. MERCHANT will obtain the cardholder's account number, expiration date, and name embossed on the CARD. MERCHANT must quote to cardholder the rate of reserved accommodation, MERCHANT name and address, and the Confirmation Code advising that it be retained. Advise the cardholder that if he/she has not checked in by checkout time the following day after his/her scheduled arrival date or the reservation was not properly canceled, the cardholder will be billed for one night's lodging plus applicable taxes. If requested, the MERCHANT will provide a written confirmation with the above information including the VISA Reservation Service provisions relating to the cardholder's obligation, and any other reservation details;
- C. MERCHANT must accept all cancellations prior to the specified time. The MERCHANT must not require more than seventy-two (72) hours cancellation notification prior to the scheduled arrival date. But, if the cardholder makes the reservation within seventy-two (72) hours of the scheduled arrival date, the cancellation deadline must be no earlier than 6:00 p.m. on the arrival date. If the MERCHANT requires that the cardholder cancel before 6:00 p.m. on the arrival date, the MERCHANT must mail the cancellation policy to the cardholder;
- D. if the reservation is properly canceled, MERCHANT must provide a cancellation code and advise the cardholder to retain it. If requested, MERCHANT must mail a confirmation of cancellation that includes the following: cardholder name, account number, card expiration date, cancellation code, and details related to the canceled reservation;
- E. if cardholder has not claimed or canceled the accommodation by the specified time, the room(s) must be held available in accordance with the reservation until checkout time the following day. MERCHANT may then complete a SALES DRAFT for one night's lodging plus applicable tax, indicating the cardholder's account number, expiration date, and name embossed on the CARD and the words "No Show" on the cardholder signature line. MERCHANT must obtain an authorization code for the no show transaction; and
- F. if guaranteed accommodations are unavailable, MERCHANT must provide cardholder with comparable accommodations for one night at another establishment, transportation to the location of the alternative establishment, and if requested, provide cardholder with a three (3) minute telephone call and message forwarding to the alternate establishment. These services shall be provided at no cost to cardholder.

18. Pre-authorized Health Care Transactions:

- 18.1 MERCHANTS accepting Pre-authorized Health Care Transactions must have the cardholder complete an order form containing the following:
- A. a request for the services to be charged to the cardholder's account;
 - B. assignment of insurance benefits to the MERCHANT;
 - C. authorization for the MERCHANT to charge the cardholder's account for only that portion of the bill subsequent to MERCHANT's receipt of any applicable insurance payment;

- D. duration of time, not to exceed one (1) year, for which permission is granted; and
 - E. if the Pre-authorized Health Care Transaction is renewed, the cardholder must provide an updated order form.
- 18.2 MERCHANT must:
- A. retain a copy of the order form during the period it is in effect;
 - B. provide a copy of the order form upon TMS's and/or BANK's request;
 - C. type or print the words "Pre-authorized Health Care" on the signature line of the SALES DRAFT; and
 - D. submit a SALES DRAFT within ninety (90) days of the service date and request authorization for the amount due upon receipt of notice of adjudication from the cardholder's insurance company.
- 18.3 MERCHANT must not complete a Pre-authorized Health Care Transaction after receiving a notice of cancellation from cardholder, TMS, BANK, or if the MERCHANT receives a decline response.

19. Recurring Transactions:

- 19.1 MERCHANT will not accept recurring SALES transactions where the delivery of, provision of, or billing for, goods or services is performed on a periodic basis ("RECURRING TRANSACTIONS") without the express written consent of TMS and BANK and without following the rules stated below.
- 19.2 MERCHANT must obtain from the cardholder a completed Order Form containing a written request for the goods or services to be charged to the cardholder's CARD. The Order Form must include the transaction amount (unless the RECURRING TRANSACTIONS are for varying amounts), the frequency of the recurring charges, and the duration of time for which the cardholder's permission is granted. The cardholder signature (including electronic signature or other similar authentication) must be effective under applicable law.
- 19.3 MERCHANT must retain a copy of the Order Form for the duration of the RECURRING SERVICES and provide it to TMS and BANK upon request.
- 19.4 Upon completion of the SALES DRAFT, MERCHANT should write the words "Recurring Transaction" on the signature line.
- 19.5 When a RECURRING TRANSACTION is renewed, MERCHANT must obtain an updated Order Form (as set out above) from the cardholder.
- 19.6 For an Electronic Commerce Transaction, include the frequency and duration of the RECURRING TRANSACTION, as agreed to by the cardholder, on the SALES DRAFT and provide a simple and easily accessible online cancellation procedure, if the cardholder's request for goods or services was initially accepted online.
- 19.7 For RECURRING TRANSACTIONS, MERCHANT must not:
- A. include partial payment for goods or services purchased in a single transaction;
 - B. include additional finance charges on a RECURRING TRANSACTION;
 - C. complete a RECURRING TRANSACTION if it does not receive an Authorization or if it receives a cancellation notice from the cardholder; or
 - D. request or use a cardholder account number for purposes other than as payment for its goods or services.
- 19.8 For RECURRING TRANSACTIONS of varying amounts, the MERCHANT must:
- A. on the Order Form, allow the cardholder to specify a minimum and a maximum transaction amount to be charged;
 - B. inform the cardholder of his/her right to receive, with at least ten (10) days notice before the transaction date, a written notification of the amount and date of the next charge; and
 - C. allow the cardholder to choose to receive notice in any of the following ways: (i) for every charge; (ii) when the transaction amount is outside of the specified minimum and maximum amount range; and (iii) when the transaction amount will differ from the most recent charge by more than an agreed upon amount.

20. Employee Purchases:

- 20.1 MERCHANT is prohibited from conducting Cash Advances, Card Sales or returns for goods or services with the MERCHANT's owners, officers or employees using such individual's personal Card(s), except for bona fide Card Transactions in the ordinary course of MERCHANT's business. MERCHANT is responsible for the actions and omissions of MERCHANT's principals, officers, employees and agents, including any fraud committed by, and/or any intentional or negligent acts or omissions by, any owner, officer or employee of MERCHANT.

MISCELLANEOUS RULES

21. Liability of MERCHANT:

- 21.1 MERCHANT shall be liable for all actions of its employees and agents and shall insure that they comply with the RULES and all LAWS.

22. Supply of Information:

- 22.1 MERCHANTS must submit all information requested by the ASSOCIATIONS, TMS, and BANK, including, but not limited to, lists and mailing addresses of terminals.
- 22.2 A MERCHANT shall not sell, purchase, provide, or exchange account number information in the form of transaction receipts, carbon copies of transaction receipts, mailing lists, tapes, or other media obtained by reason of a SALE to any third party other than to the MERCHANT's agents for the purpose of assisting the MERCHANT in its business; or to the ASSOCIATIONS, TMS and/or BANK; or pursuant to a government request.

ATM/DEBIT NETWORK RULES

NOTICE: The following summary of NETWORK RULES only applies to ATM/Debit transactions that are processed by a Cardholder entering a PIN. Such ATM/Debit transactions are subject to the rest of the Agreement, as applicable, except to the extent the terms of the NETWORK RULES summary directly conflicts with another provision of this Agreement, in which case, the terms of this NETWORK RULES summary will control. The following information is a summary of common rules that are specific to ATM/Debit Network transactions; however card acceptance, processing and chargeback procedures are subject to change. If there are any differences between the NETWORKS' regulations and these Rules, the NETWORKS' regulations will prevail in every instance. To the extent these RULES or the NETWORKS' regulations conflict with applicable local, state, or federal laws, rules, or regulations, such local, state, or federal laws, rules or regulations shall govern.

ATM/DEBIT NETWORK CARD ACCEPTANCE PROCEDURES

1. Discrimination:

- 1.1 MERCHANT shall not require cardholders to provide personal information (such as telephone number or address) as a condition for honoring a CARD, unless required by the RULES.
- 1.2 MERCHANT may not require or request the cardholder's signature or any other means of verifying the cardholder's identity.
- 1.3 MERCHANT shall place the PIN Entry Device in an area accessible by all cardholders and that can reasonably prevent others from observing the entered PIN.
- 1.4 MERCHANT shall not request or require the cardholder to provide or disclose their PIN in any oral or written manner to the MERCHANT.

2. SALES DRAFTS:

- 2.1 MERCHANT shall deliver to the cardholder at the time of a SALE a true and completed copy of the SALES DRAFT evidencing a SALE involving use of a CARD. The SALES draft must comply with the requirements of all RULES, and LAWS.
- 2.2 The following information must be included on the SALES DRAFT: (i) CARD account number; (ii) MERCHANT's DBA name; (iii) MERCHANT's city and state; (iv) amount of SALE; and (v) SALE date.
- 2.3 A SALES DRAFT shall be made available to the cardholder at each terminal.
- 2.4 MERCHANT may not require or request the cardholder to divulge the PIN belonging to that cardholder.
- 2.5 MERCHANT shall not impose any fee or charge without the prior written consent of TMS and BANK. If surcharging is approved by TMS and BANK, it must be a separate line item on the SALES draft and must be in compliance with all NETWORKS' rules, and LAWS.
- 2.6 MERCHANT shall not process any SALE if the terminal does not receive an authorization code. When a denial to an authorization request is received, the POS transaction shall not be completed, unless completed as a MERCHANT Store and Forward Transaction or Resubmission Transaction.
- 2.7 A SALE shall not be completed if the MERCHANT knows or should know that the SALE is fraudulent or not authorized by the cardholder.
- 2.8 A SALE may be reversed or voided electronically, but only if such reversal/void is entered prior to midnight of the calendar day on which the SALE was initiated. To effect a reversal or void, cardholder must re-enter the PIN, the magnetic stripe reader must read the card, and MERCHANT must transmit the trace number and the exact dollar amount of the SALE to be reversed or voided. A reversal or void must be initiated at the same MERCHANT identified on the SALES draft at which the original SALE was initiated, but need not be initiated at the same POS terminal.
- 2.9 All returns shall be processed in accordance with the MERCHANT's normal procedures, except that MERCHANT or cardholder shall not attempt to reverse a previously approved POS Transaction, unless otherwise permitted in accordance with the rules.
- 2.10 Any SALES known by the MERCHANT to be erroneous should be canceled and re-billed, in the cardholder's presence.
- 2.11 Balance inquiries may be performed only by the cardholder at a cardholder-operated terminal and shall at all times require the cardholder to enter the PIN and use the magnetic stripe reader.

3. SALES DRAFTS - Distribution and Storage of Information:

- 3.1 MERCHANT shall not disclose a cardholder's account information or any other personal information to third parties other than to MERCHANT's agents for the purpose of completing the SALE or as specifically required by law or by the RULES.
- 3.2 MERCHANT shall store in a limited access area for at least one (1) year after the date of SALES all transaction records and MERCHANT shall make and retain for at least two (2) years the original or legible microfilm copies of both sides of all transaction records; Prior to discarding, MERCHANT shall destroy or make unreadable all material containing cardholder account numbers.
- 3.3 There are no voice authorizations for transactions and no manually imprinted SALES drafts.

CHARGEBACKS

4. General:

- 4.1 MERCHANT agrees to pay TMS and/or BANK for any NETWORK fees, fines or charges imposed on MERCHANT or TMS and BANK. Such reimbursement will be accomplished by the debit of the sum(s) involved from the MERCHANT's DESIGNATED ACCOUNT.
- 4.2 Failure to comply with the RULES will increase MERCHANT's exposure to CHARGEBACKS.
- 4.3 TMS agrees to mail all CHARGEBACK documentation to MERCHANT promptly to MERCHANT's address shown on AGREEMENT. MERCHANT agrees to respond promptly to all CHARGEBACKS. If TMS and BANK elect, at their discretion, to take action on CHARGEBACKS after the NETWORK time limits have expired, such action shall be done at additional cost. Upon request of NETWORK, TMS, or BANK, the MERCHANT will retrieve and forward to TMS, within the time frame required by the NETWORKS, either the original or a readable copy of the Terminal journal tape or duplicate transaction receipt for the

transaction in question and, if requested, will give the NETWORK such information from such transaction records as it requests by telephone. The MERCHANT will, on request of the NETWORK, cooperate fully with the NETWORK and the card-issuing participant in order that the participant may comply with the error resolution procedures.

5. Monitoring Programs:

- 5.1 If certain monitoring programs identify MERCHANT, TMS's and BANK's ability to reverse CHARGEBACKS can be severely restricted.
- 5.2 Certain Monitoring Programs review the number of Lost, Stolen and Counterfeit CARDS accepted by MERCHANT in its normal course of business. The purpose of these Programs is to reduce the use of Lost, Stolen and Counterfeit CARDS.
- 5.3 In the event that MERCHANT is identified under these PROGRAMS as exceeding the acceptable threshold value of such CARDS, MERCHANT may become liable for CHARGEBACKS and SALES on Lost, Stolen, or Counterfeit CARDS regardless of the CARD ACCEPTANCE PROCEDURES followed, and AGREEMENT may be terminated on notice by TMS and BANK.

OPERATIONAL REQUIREMENTS

6. MERCHANT Name and Address:

- 6.1 All forms submitted to TMS and BANK must bear both the corporate and "Doing Business As" ("DBA") name.

7. Equipment:

- 7.1 A MERCHANT shall take all necessary steps to insure that all POS Terminals and PIN Pads operated in all of its locations:
 - A. are placed in an area accessible by all cardholders;
 - B. are available for use whenever open for business;
 - C. will function with a minimum of error meeting all applicable technical specifications and security regulations; and
 - D. will require the cardholder to enter the cardholder's PIN at or near the check out location when initiating a POS Transaction.
- 7.2 A PIN pad or PIN processor must meet the ANSI standard format X9.8, 1995 or newer requirements, as they are released.
- 7.3 Terminals must have a Magnetic Stripe reader capable of reading Track 2 on the CARDS.
- 7.4 PINS used in conjunction with any store and forward transaction or MERCHANT resubmission must be encrypted and stored within a Tamper Resistant Security Module.
- 7.5 If MERCHANT's authorization system is capable of store and forward, it must comply with the NETWORKS's rules and regulations regarding this capability. TMS, BANK, the Issuer, and the NETWORKS shall not be liable for any losses suffered by a MERCHANT arising from the use of the store and forward function.
- 7.6 A PIN must never be logged in any form as a function of software either in the clear or encrypted.

8. Left CARDS:

- 8.1 CARDS that are inadvertently left at a MERCHANT location must be held under dual control during the time they are retained.
- 8.2 CARDS inadvertently left at a MERCHANT location may be returned to the cardholder by MERCHANT under the following conditions: (i) the CARD was inadvertently left by the cardholder at an on-premise location, and (ii) the cardholder requests the CARD within one business day, and (iii) the cardholder provides two forms of current identification, one of which is a photo identification.
- 8.3 If the cardholder has not requested the CARD within one business day, the CARD should be destroyed by cutting it in half through the stripe and processed in the normal manner.

9. Security Features:

- 9.1 TMS, BANK, NETWORK or their designated agent, on behalf of itself or others, shall have the right to inspect MERCHANT's security systems and procedures from time to time.